

# Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper

London, Thursday-Friday, December 24-25, 1998

No. 36,022

## Euro Traders Gird for a Scramble

By Tom Buckle

International Herald Tribune

LONDON — Thorold Juncker, the head of currency trading at J.P. Morgan & Co., recalled a visit to the bank's London offices by a senior German business executive in November 1994, who told skeptical dealers they had better prepare for a single European currency. "Not only will it happen," he said, "it's the law."

The dealers were unimpressed. "We smiled and laughed and sent him home," Mr. Juncker said. Well, dealers at J.P. Morgan and at banks across London and around the world have since had a change of heart as governments maintained their commitment to forge a monetary union, and currency and interest rates converged across Europe. Now as Europe gets ready to replace 11 national currencies with the euro over the New Year's weekend, few people are as prepared as the ones who rule the world's \$1.5 trillion-a-day foreign exchange market.

Over the past two years, banks have trimmed and restructured their trading desks to prepare for the end of trading in once volatile and lucrative currencies like the Italian lira and the Spanish peseta. But far from heralding the end of a free-wheeling currency market that Germany's finance minister, Oskar Lafontaine, has dubbed a "casino," many bankers believe the euro will intensify trading volumes and volatility.

"The capital movements in and out of the euro are going to become more dramatic" as national stock and bond markets merge into a big, liquid pan-European capital market, said Howard Kurtz, a managing director of currency trading at National Westminster Bank PLC in New York. "The dollar-euro will become a global benchmark."

On fundamental grounds, many analysts believe the advent of the euro as a rival to the dollar as a global means of payment is inherently volatile. And Europe may be less concerned about the euro's exchange rate because the combined economy of the 11 euro countries is much larger

and less dependent on foreign trade than the individual national economies.

While the dollar has traded mostly in a range of plus or minus 15 percent against the Deutsche mark since 1991, the range "will widen out" against the euro, said Avinash Persaud, a currency analyst at J.P. Morgan.

What's more, bankers say, the euro is likely to contribute to the growing domination of the foreign-exchange market by a handful of international banks, which have the capital, technology and expertise to accept the biggest bets in the global currency game. That concentration itself is likely to reinforce the volatility of exchange rates, they say.

"It really has been those that have adapted to life beyond the euro that have gained market share," said Guy Whitaker, head of foreign exchange trading in London for Citibank, the world's largest currency trader. "Customers are more and more interested in your ability to provide coverage in those countries beyond the euro. They're looking at emerging markets and more sophisticated hedging products. That plays to the large, global, sophisticated players."

Citibank's experience is typical of the big changes that monetary union has promoted. Since the Maastricht Treaty on European Union was signed in 1992, starting the single currency process, the bank has shut its local currency trading operations across Europe, including Frankfurt, and centralized them in London. It will shut its last local outpost, a two-person Irish punt desk in Dublin, on Dec. 31. The bank's European currency team now numbers 230, including 150 in London, compared with 300 at the start of the process.

Similarly, J.P. Morgan has cut its currency trading and sales staff by about 20 percent over the past two years, to just under 200 globally. The former chief trader in Milan now heads the emerging markets currency operation in London, which handles everything from the Polish zloty to the South African rand. But these leaner teams are handling

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## Ex-Head of NATO Sentenced In Belgian Bribery Scandal

### Dassault Chief Is Also Convicted

By Barry James

International Herald Tribune



Mr. Claes: Three years, suspended.



Mr. Spitaels: Two years, suspended.



Mr. Coeme: Two years, suspended.

BRUSSELS — Belgium's highest court sentenced the former secretary-general of the North Atlantic Treaty Organization, Willy Claes, to a three-year suspended prison term Wednesday for corruption, effectively ending his political career and casting a moral judgment against the corruption-riddled past of the nation's powerful Socialist parties.

The court also convicted Serge Dassault, head of the Dassault Aviation company, for paying a bribe to obtain a contract to re-equip Belgian Air Force F-16 fighters with new electronics. It sentenced him to a two-year prison sentence, but suspended it.

Both men had pleaded not guilty.

In what political observers interpreted as a condemnation of much of Belgium's French- and Dutch-speaking Socialist elites, the court also handed down two-year suspended sentences against Guy Spitaels, 67, a former Socialist president and several times deputy prime minister, and former Defense Minister Guy Coeme, 52. Eight former aides and associates were convicted and received suspended sentences of up to two years.

The sentences mean a loss of civil rights. The court affirmed that Dassault and the Italian helicopter company Agusta SpA paid a total of 110 million Belgian francs (\$3.188 million) into Socialist coffers to secure contracts.

Dassault was awarded the 6.5 billion franc contract to equip the F-16s over a rival bid from Litton Industries Inc. of the United States, which was preferred by military commanders. Agusta won an 11.97 billion franc contract, over Aerospaciale of France, to supply 46 helicopters to the Belgian Air Force.

The court ordered Mr. Claes, 60, and three aides to repay an amount almost equivalent to the bribes.

The observers said the verdict could affect general elections next year, although in Wallonia, the French-speaking southern half of this linguistically divided country, the Socialists are solidly entrenched through patronage and bossism.

Mr. Claes held the top NATO post for 13 months until October 1995, when he was forced to resign at the height of the Bosnia crisis because of the bribery allegations. Since then, Mr. Claes, an amateur composer and conductor, has been employed as head of the Flemish navigation board. He earlier told the court that he thought a payment of several million francs that passed through his bank account had come from his wife's personal savings.

Mr. Claes was minister of economic affairs at the time the contracts were awarded in the late 1980s. He was closely associated with the Belgian royal family, was long the leading power broker in the Dutch-speaking wing of the Socialists, and was a party co-president with the leading Walloon politician, Andre Cools.

Mr. Cools was assassinated in 1991, and investigations into his murder led to discovery of the bribes. In June, two Tunisian hitmen hired by the Italian Mafia received 20-year jail sentences in Tunisia for killing Mr. Cools. The motives for the assassination have never been revealed, although there has been a great deal of press speculation that Mr. Cools knew too much about the Socialists' involvement in alleged financial chicanery.

Another death connected with the bribery allegations was that of General Jacques Lefebvre, the chief of staff of the air force at the time of the bribes, who apparently committed suicide in a Brussels hotel in March 1995. The chief

See GUILTY, Page 5

## Blair Loses Key Aide in An Uproar Over Loan

By Warren Hoge

New York Times Service

LONDON — Peter Mandelson, the closest confidant of Prime Minister Tony Blair and the architect of the Labour Party's 1997 election victory, resigned Wednesday over a home-purchase loan that he had failed to declare.

Mr. Mandelson, the trade and industry secretary in Mr. Blair's cabinet, said he was stepping down to spare the government embarrassment and to redeem its pledge to be "whiter than white, squeaky clean."

A principal thrust of Mr. Blair's campaign had been repeated pledges to run an administration free of the scandals that plagued the Conservative government of his predecessor, John Major, and Mr. Mandelson, a prime persecutor of the Tories, told the prime minister, "We can't be like the last lot."

Mr. Mandelson said that he had erred in not making the necessary declaration of a £373,000 (\$625,000) low interest loan he had accepted in 1996 from Geoffrey Robinson, a millionaire colleague in the government whose outside business interests have come under investigation by Mr. Mandelson's department. Mr. Robinson, the paymaster general, also resigned Wednesday.

In an exchange of correspondence that captured the personal agony that both he and Mr. Blair were experiencing, Mr. Mandelson said, "Dear Tony, I can scarcely believe I am writing this letter to you," and the prime minister responded, "Dear Peter, You will know better than anyone the feelings with which I write to you."

Mr. Mandelson, a member of Parliament representing a district in northeast England and formerly the Labour Party's director of communications, was credited with recasting the party's image to make it electable after a series of lost elections and 18 years in op-

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## Beijing Broadens Drive on Dissent

### Long Sentences for 3 Dissidents Carry a Message to Colleagues

By Erik Eckholm

New York Times Service

BEIJING — In the last few days, behind closed doors, an ancient saying has been repeated here often: "Kill the chicken to scare the monkeys."

Everyone who heard about the punishment of these organizers of an alternative political party takes it for granted that the trials were intended as a warning: Do not challenge Communist Party rule.

The official media made sure the message got out even to the large majority of people who had never heard of the imprisoned men, Xu Wenli, Qin Yongqin and Wang Youcai. After months of ignoring the China Democracy Party, newspapers reported that these three had threatened national security by promoting an illegal party and were given sentences of 13 years, 12 years and 11 years, respectively.

Now, after a draining week of shock and despair, those who worked openly to promote the new party — by some estimates, numbering as many as 200 — are pondering the next steps for the dissident movement and for themselves. A few organizers may still be in detention and at least one was sent to a labor camp without trial, but most remain free, if often under surveillance.

To a large degree, of course, the intimidation worked. In Wuhan, where about 30 people had established a key branch of the Democracy Party, activities have temporarily halted, said Chen Zhonghe, a party leader who spoke by phone Wednesday.

"There were many people here who sympathized with our

### Threat of Life in Prison Extended To Many Artists and Programmers

By John Pomfret

Washington Post Service

BEIJING — China appeared to move another step closer to full-scale political restrictions Wednesday when its state-run press published tough new rules threatening film directors, singers and computer software developers with life in prison if they attempted to "overthrow state power" or "endanger national security."

President Jiang Zemin, meanwhile, in his second hard-line speech in six days, told a gathering of security officials that their task next year was to ensure China's stability.

Mr. Jiang's speech, which dominated the national news Wednesday night, was a clear signal that the sentencing of three dissidents to lengthy prison sentences was part of a broader pattern to suppress organized dissent and bolster the Communist Party's dictatorship in the coming year.

Under the new guidelines, artists, film directors, singers, producers and computer software programmers could face stiff jail sentences if they "endangered social order" — in other words, did anything to challenge Communist Party rule.

They also could be jailed if they encouraged independence movements in Tibet, the northwestern province of Xinjiang or on the island of Taiwan.

In less than a week, starting with the trials of two dissidents on Thursday, the tenor of the state-run press and the words employed by China's leaders has taken on one of the harshest tones in years, according to Chinese sensitive to such matters.

Communist Party officials said that throughout Beijing on Wednesday, party members were called to meetings to listen in criticism of the jailed dissidents, Xu Wenli, Wang Youcai

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POWER LUNCH — Defense Secretary William Cohen, center, eating with sailors Wednesday on the Enterprise, nerve center of the Iraq air strikes. He said some troops and aircraft would be withdrawn from the Gulf. Page 5.

## AGENDA

### Branson's Balloon Heads Out Over Pacific

The huge balloon ICO Global left Asia behind Wednesday and set out across the Pacific Ocean on the sixth day of its race to circle the globe. If the winds stay strong and their high-tech apparatus stays intact, the adventurers Richard Branson, Steve Fossett and Per Lindstrand could complete the 5,000-mile crossing of the Pacific Ocean in time to reach the California coast by Christmas.

They are hoping to make the first nonstop round-the-world trip by balloon. All three have tried and failed before. Mr. Fossett, an American millionaire, dumped into the Pacific last summer after traveling 13,000 miles. That distance, about half the circumference of the globe at the equator, marks the farthest a manned balloon has ever flown without putting down. The ICO Global flight has covered about half of Mr. Fossett's record distance since it took off from Morocco last Friday. Page 5.

### To Our Readers

Because of the Christmas holiday, this is a double issue of the IHT. The paper will not be published Friday. Publication resumes with the Saturday-Sunday issue.

The Dollar			
New York	Wednesday @ 4 P.M.	previous close	
DM	1.6748	1.672	
Yen	115.975	116.705	
FF	5.616	5.9059	
Pound	1.678	1.66	
Dollars per pound			
The Dow			
	Wednesday close	percent change	
+157.57	9,202.03	+1.74%	
S&P 500			
+24.97	1,228.54	+2.07%	
Nasdaq			
+51.59	2,172.57	+2.43%	
Books .....			
Crossword .....	Page 7.		
Opinion .....	Page 3.		
Sports .....	Pages 6-7.		
The Internetmarket .....			
Page 16.			
The IHT on-line		www.ihnt.com	



Peter Mandelson, who resigned as secretary of trade and industry.

Newstand Prices	
Bahrain	1,000 BD Malia 55 c
Cyprus	C 2 1.00 Nigeria 128.00 Naira
Denmark	17 DKr Oman 1.250 QR
Finland	12.00 FM Qatar 10.00 QR
Gibraltar	2 0.85 Rep. Ireland IR £1.10
Great Britain	LR £1.00 Saudi Arabia 10 SR
Egypt	SE 5.50 S. Africa R16 Incl VAT
Jordan	1.250 JD UAE 10.00 Dh
Kenya	K SH 160 U.S. Mil (Eur) £ 1.20
Kuwait	700 Fils Zimbabwe Zim \$40.00

## Among Public, Anti-Clintonites Just 'Don't Understand the Country'

By Sam Howe Verhovek

New York Times Service

NEW YORK — In virtually every major poll taken in recent weeks, the people who believe that President Bill Clinton should be removed from office are in the minority.

But they are clearly resolute in their opinion, with most saying that the president lied both under oath and in his famous early pronouncement to the nation that he "did not have sexual re-

lations with that woman," and that such lies are automatic grounds for dismissal.

And many of these people seem genuinely bewildered that more people do not see it their way.

"It's like I don't even understand what country I'm living in," said Jim Heller, a computer resource specialist in Sacramento, California. "Are we saying you can have sex with a young intern in your office, and lie about it, under oath, and it's O.K., your poll numbers

are going to go to 70 percent?"

"Others are angry, as well."

"Of course he should be out of office," said Marilyn Velardi, a book-

keeper in Hendersonville, North Carolina. "He's not only undermined our judicial system; he's belittled it."

Gene Morin, a retired truck driver in Lakeland, Florida, said: "As far as

someone lying, and expecting me to have their trust afterward, it doesn't work. When you take the oath of office, you swear to uphold the law."

And still others, including some who support much of what the president has done in office, are distressed to conclude that he is morally unfit to serve.

"I voted for him twice and it grieves me to see his behavior," said Barbara, a research analyst and registered Democrat from central Kansas who declined to give her last name. "I feel anguished

about all of this. But he should not be in the Oval Office."

With the prospect of an impeachment trial looming in the Senate, Mr. Clinton's Republican opponents strongly hope that more Americans will come to make the same judgment. But for now, strong majorities say they want the president to finish out his term.

Despite Mr. Clinton's having become on Saturday only the second president

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## 4 Single Females for Every Male/ The Need for Companionship, Love and, Yes, Sex Endures

## At Eightysomething, a Good (Preferably Younger) Man Is Hard to Find

By Sara Rimer  
New York Times Service

CLEARWATER, Florida — "So, you want to know about my love life?" said Sophie Silverman, 85 years old and twice a widow, climbing out of the pool and settling into a lounge chair at the retirement community, On Top Of The World. She pushed her oversized purple sunglasses halfway down her nose. "It stinks."

Not that she isn't trying. Mrs. Silverman is out there, as they say in the singles world. Here is her latest personal ad in the monthly Senior Voice: "JWWF [Jewish white widowed female], honest, attractive, ISO [in search of] happy, healthy and physically fit soul mate, 65-75 to give me back my life. I like going out dancing, dining, travel, and would like a pleasant, romantic man for LTR [long-term relationship]." Mrs. Silverman is an optimist as well as a romantic.

Plenty of men respond to her ads. They call, she puts on her best smile and meets them for coffee at the Burger King on U.S. 19 and Sunset Point Road, a prime first-date spot, and she never hears from them again. It seems that they, too, want someone younger.

"They don't want me. I'm old and gray," said Mrs. Silverman, who happens to be a blonde who works out at the gym and looks a trim 75.

Where do bald men with arthritis knees get off acting like this? It's a universal lament among single women that all the good men are taken. At On Top Of The World, the women add, "Or dead." After age 75, according to the census, there are four single women for every single man.

The dating game never stops. Indeed, for couples who move to retirement communities, it resumes after decades on the sidelines after one spouse dies — just when the survivor is looking his or her age. The need for companionship, tenderness, love and, yes, sex, remains as important as ever, but the rules of the game have changed.

Not only women, but men, too, are racing the clock.

AT ON TOP Of The World and other Florida retirement communities in Clearwater, St. Petersburg and Tampa, it is clear that as always in matters of love and sex, there is a tremendous range in opinions and desire. But men generally want younger women more than ever, and can get them because of the sharp disparity in their numbers. Plenty of women, like Mrs. Silverman, want younger men, but only rarely

do they succeed. At Bringing People Together, a Florida dating service that specializes in senior citizens, a woman who answered the phone said that while they helped men into their 90s, they tried not to take women over 78.

Yet while men who got the cold shoulder from the girls back in high school may fare better in their 70s and 80s, that lasts only until they lose their driver's license — no one takes the bus on dates down here — or lose their health. No one is eager to be stuck with someone who, six months down the road, has to be nursed.

Everyone is vulnerable. How does someone go on a date after being married to the same man or woman for half a century? Kathy Beck, who founded Senior Connection, a South Florida newspaper that publishes personal ads, says her office is baraged with questions by nervous clients: What should they say? How should they act? When do they sleep together?

Kenneth Bruwelheide, 79, made his way to the Senior Connection office in Brandon, near Tampa, five years ago, shortly after the death of his wife of 52 years, Betty.

"I was very awkward," recalled Mr. Bruwelheide, a retired plumber. "I broke down and cried right in front of them. I felt like I was cheating on my wife."

Mr. Bruwelheide placed an ad modestly describing himself as a widowed male, in his mid-70s, in search of a companion who likes bingo and short trips.

"I got 57 answers," he said. "There's a lot more widows than widowers. I think it's a shame. The men died too young, the women sit there sorry, hurting, nobody to help them."

One letter he answered was from May McCulloch, a widow four years his junior. A year and a half ago, Mrs. McCulloch moved in with him.

"I call her Dear," Mr. Bruwelheide said. "I have somebody to talk to, somebody to say, 'What are we going to have for supper?' I cook half the time, she cooks half the time."

Is it love? "I'm a little slow on that," he



Dottie Walton, who would not give her age, dancing with Bernard Levinson, 87, at a retirement community in Florida. They have been dating for about a year.

said. "When I say 'love,' I'm thinking of Betty."

Every Wednesday afternoon in St. Petersburg, hundreds of men and women, many in their 70s and 80s, gather at the tea dance at the Coliseum, which bills itself as the finest climate-controlled ballroom in the South. As couples fox-trot to the music of an orchestra,

"There's a lot more widows than widowers. The women sit there sorry, hurting, nobody to help them."

Charlene Speaker, in a long flowered skirt, lacy blouse and pearl earrings, waited to be asked to dance. Her husband died five years ago.

"I don't want a marriage, just a companion," said Mrs. Speaker, who allows only that she is past 65. "Someone who's loyal."

It does not seem like a lot to ask, especially for Mrs. Speaker, a vivacious, striking brunette who can whirl gracefully around the dance floor for hours.

She has been dating someone, but she is well aware that she does not have her pick of men the way she did in her youth. "The men want

younger women," she said, "but what are they going to do with them?" The Singles Club at On Top Of The World is a poor place to meet men: Its 200 members are overwhelmingly women. But some women, of course, do beat the odds.

"When I moved to Top Of The World six years ago, I said to my friend Irene, 'What about men?' " said Sally Pearl, 63, a retired junior high school teacher from Long Island who is divorced. "She said, 'Don't even think about it.'"

Yet both Mrs. Pearl and her friend, Irene Hartwell, 83, found companions.

Mrs. Pearl was talking about men and dating over fruit and chicken salads at a restaurant the other afternoon with Joyce Wohl, a past president of On Top Of The World's Singles Club, and three other women.

Mrs. Wohl, a retired social worker who declined to give her age, said she had been on one date since her husband died nearly seven years ago.

"Yeah, it was a bummer," she said. "The movie was interesting. He was a drip."

Florence, a widow who revealed her age (77) but asked to be identified by only her first name (she thought her family might deem it inappropriate for her to be discussing such matters), recalled the humiliation of her dinner with an 83-year-old man who told her "all about how he wanted to date this younger woman."

What would be her idea of the perfect man at this point in her life?

Florence said she had taken care of her husband for 14 years before he died. She had loved him, but it is not something she wants to go through again. She smiled slyly, then said, "I would like a note from his doctor stating that he's healthy — or if he isn't, that he only has six months to live."

Her companions whooped with laughter. They could have been any group of women anywhere, indulging in a favorite pastime: trashing men. They giggled over the single men at On Top Of The World: "All they want is a nurse with a purse."

But behind the brave and brittle wisecracks, they were serious.

"I would love to fall in love again," Nancy Nazor volunteered.

Florence nodded, and said, "So would I." It is not that they necessarily want to remarry. Indeed, after years of taking care of husbands and children, the widows of On Top Of The World and other retirement communities make it clear that they relish their independence.

MANY OF THEM mention marriage and cooking in the same breath, and say they would not want to cook for a man again.

They have plenty to do without cooking, they say. They stay in shape with brisk walks in the morning, they go out to lunch, they take trips, they join clubs, they volunteer, they keep up with their children.

"I've spent my whole life taking care of people," said Joanne Golder, 62, who moved to On Top Of The World with her husband, Mort, and was widowed nearly two years ago. "This is my time to do what I want for myself."

Stanley Tucker, a 76-year-old widower, has been dating a widow four years younger. "Even my mother and my daughter say she's too old for me," he said over breakfast at the Family Restaurant on Sunset Point Road.

Jack Beller was at the pool at On Top Of The World, talking about his continuing argument with his friend Sophie Silverman — and they are just friends, both say.

"I can't make her understand the difference between love and companionship," Mr. Beller said. "In my opinion, companionship is more important than love."

He is 80; his wife of 46 years, Florence, died 15 months ago.

She had Alzheimer's disease, and for six years he took care of her.

Now, he wears her wedding ring on his pinky finger, and tells strangers how much he loved her.

Meanwhile, Mr. Beller, who still works as a consultant in industrial physics and has a condo full of books by Vladimir Nabokov and Thomas Mann, says he enjoys the company of women, taking them to dinner and classical music concerts and, yes, to bed.

"My sister, who's 72, says to me, 'Get some condoms,'" he said.

"I said, 'OK,' but I haven't yet."

What about AIDS? "I'm 80 years old. What's going to happen to me? Am I going to die at 140?"

Mrs. Silverman said later: "Jack gets all the women. He can drive at night."

## TRAVEL UPDATE

## Belgian Rail Strikes

## Expected for Holidays

BRUSSELS (Reuters) — The Belgian state railroad says that travelers should expect disruptions to its services on Thursday and Friday, and also on Dec. 31 and Jan. 1 due to strikes by some staff members.

The strike was due to start at 6 P.M. Thursday and end at 6 A.M. on Christmas Day. Another strike was scheduled to begin at 6 P.M. on Dec. 31 and end at 2 P.M. on New Year's Day.

The railroad said the union in question was demanding the company apply the same timetables to the Christmas and New Year holidays as it did to weekends and other public holidays.

It said the number of trains scheduled to operate could not be cut in view of the number of passengers traveling on Thursday and on New Year's Eve.

## Y2K-Vulnerable Planes

## May Be Banned in U.K.

LONDON (Reuters) — Britain should claw up a black list of airlines to be excluded from its airports as the year 2000 arrives because their computers are infected by the millennium bug, an all-party parliamentary committee says.

It also suggested that the government should give Britons planning to travel by air as 2000 arrives an assessment of possible risks at least three months in advance. The parliamentary Environment, Transport and Regions Committee said in a report that it now seemed certain that the computers of some airlines, airports and air-traffic control systems around the world will not be millennium-compliant in time.

## U.S. Move to Equip and Train Mexico for Drug Fight Falters

By Tim Golden  
New York Times Service

NEW YORK — An ambitious effort by the United States to help train and equip Mexico's armed forces to pursue drug smugglers in a shambles, officials of both countries say, souring U.S. relations with an ally that Washington has worked intensely to court.

Three years after the Pentagon began donating dozens of helicopters to the Mexican Army and training hundreds of Mexican soldiers in the United States, officials have seen only a handful of the anti-drug operations intended in the program. The helicopter fleet has been grounded by mechanical problems, and angry Mexican generals are cutting the number of troops they will send to train.

According to U.S. intelligence reports, the drug fights that the plan was designed to combat have virtually ceased. But that appears to be because the traffickers turned to smuggling schemes like containerized shipping before the enforcement strategy ever got off the ground. The flow of illegal drugs into the United States has continued apace.

Tensions over the failed strategy, the faltering equipment and continuing reports of Mexican military corruption have prompted U.S. officials to ask Mexico's commanding generals to reassess the program altogether.

"The question, basically, is: How do we get out of this box?" a U.S. official said. "We will talk about the plan that they come up with, and we will talk about whether we want to support that plan."

The conflict underscores the competing agendas that the Pentagon and the CIA have encountered in Latin America as they have tried to use the

fight against international drug traffickers to remake their old alliances with military forces in the region.

The Mexican military, like its counterparts in Colombia and Peru — and like the Pentagon itself — seized on the drug fight as a mission of growing importance and as a way to protect its budgets after the Cold War. But the Mexican commanders have pursued the effort with secrecy and independence, raising questions about whether the United States is strengthening powerful and sometimes autonomous military forces at the expense of civilian institutions like the courts and the police.

Ian Lodal, who oversaw the Pentagon's anti-drug cooperation with Mexico until his recent retirement as the principal deputy undersecretary of defense for policy, said: "You are going to have to build an effective civilian law-enforcement structure, and you're going to have to build it from the ground up."

## Corrections

Because of an editing error, a news analysis in Wednesday's edition on the Israeli political situation implied erroneously that Amnon Lipkin-Shahak, the former Israeli chief of staff, was considering an alliance with Ehud Barak, the Labor Party leader.

A report Monday about a dispute between Jews and Catholics over crosses outside the Auschwitz death camp misspelled the surname of Poland's prime minister. He is Jerzy Buzek. The article also misspelled the surname of a historian who commented on the dispute. He is Jerzy Jedlicki.

## WEATHER

Forecast for Friday through Sunday, as provided by AccuWeather.



North America: Despite a cold snap that the chilled much of the continent, temperatures will be in the mid-to-high 40s by Sunday, with snow falling across the Midwest and the Northeast. Another cold front will be building across western Canada and the Pacific Northwest on Friday, and then spread across the Balkans and the eastern Mediterranean on Saturday. Many areas will be dry.

Europe: A storm will approach the Irish coast Saturday, and the chance for showers spreading from west to east over the weekend. Dry and mild in Southern Europe, as well as Taiwan and Hong Kong. Most of South America will have warm weather. Cold weather will invade western China.

Asia: Dry weather in South and East Asia, then a chance for showers spreading from west to east over the weekend. Dry and mild in Southern Europe, as well as Taiwan and Hong Kong. Most of South America will have warm weather. Cold weather will invade western China.

Africa: Dry weather in South and East Africa, then a chance for showers spreading from west to east over the weekend. Dry and mild in Southern Europe, as well as Taiwan and Hong Kong. Most of South America will have warm weather. Cold weather will invade western China.

Latin America: Dry weather in South and Central America, then a chance for showers spreading from west to east over the weekend. Dry and mild in Southern Europe, as well as Taiwan and Hong Kong. Most of South America will have warm weather. Cold weather will invade western China.

Oceania: Dry weather in South and Central America, then a chance for showers spreading from west to east over the weekend. Dry and mild in Southern Europe, as well as Taiwan and Hong Kong. Most of South America will have warm weather. Cold weather will invade western China.

Legend: S-sunny, p-partly cloudy, c-cloudy, sh-showers, H-hurricanes, F-fair, S-snow, W-wind, L-low, H-high, W-weather.

## WEEKEND SKI REPORT

Resort	Depth	Mts.	Res.	Snow	Last	Comments	Resort	Depth	Mts.	Res.	Snow	Last	Comments
Andorra Soldeu	60	80	Good	Open	Var 2012	Very good skiing, warm weather	Italy Cortina	10	120	Good	Open	Var 2012	60/70% open, good on glacier
Austria Ischgl	20	100	Good	Open	Pdct 2012	All lifts open, best skiing at top	Italy Courmayeur	20	30	Fair	At	Pdct 2012	Most lifts open with good skiing
Canada Lake Louise	10	120	Good	Open	Var 2012	Most lifts open, new snow	Italy Livigno	15	80	Fair	At	Pdct 2012	1400m open, best on upper slopes
France Les Deux Alpes	30	120	Good	Open	Var 2012	50/60% open, good on upper runs	Italy Sestriere	10	30	Fair	At	Pdct 2012	4000m open, best on upper slopes
France Val d'Isere	30	120	Good	Open	Var 2012	60/70% open, good on upper runs	Switzerland Grindelwald	5	120	Fair	At	Var 2012	20/30% open, best on lower slopes
France Val Thorens	30	120	Good	Open	Var 2012	60/70% open, good on upper runs	Switzerland Davos	5	120	Fair	At	Var 2012	All lifts open, some excellent skiing
France Les Gets	30	120	Good	Open	Var 2012	60/70% open, good on upper runs	Switzerland Klosters	5	120	Fair	At	Var 2012	All lifts open with good skiing
France Courchevel	30	120	Good	Open	Var 2012	60/70% open, good on upper runs	Switzerland Murten	5	120	Fair	At	Var 2012	All lifts open with good skiing
France Les Deux Alpes	30	120	Good	Open	Var 2012	50/60% open, good on upper runs	Switzerland Saas Fee	10	120	Fair	At	Var 2012	All lifts open, good on glacier
France Flaine	30	120	Good	Open	Var 2012	60/70% open, good on upper runs	Switzerland St. Moritz	10	120	Fair	At	Var 2012	2100m open, best on upper slopes
France Megève	30	120	Good	Open	Var 2012	60/70% open, good on upper runs	Switzerland Verbier	10	120	Fair	At	Var 2012	2100m open, best on upper slopes
France Morzine	30	120	Good	Open	Var 2012	60/70% open, good on upper runs	Switzerland Zermatt	10	120	Fair	At	Var 2012	4000m open, best on upper slopes
France La Plagne	30	120	Good	Open	Var 2012	60/70% open, good on upper runs	U.S. Aspen	5	120	Fair	At	Var 2012	20/30% open, good, fresh snow
France St. Gervais	30	120	Good	Open	Var 2012	60/70% open, good on upper runs	U.S. Breckenridge	5	120	Fair	At	Var 2012	All lifts open with good skiing
France St. Jean de Maurienne	30	120	Good	Open	Var 2012	60/70% open, good on upper runs	U.S. Crested Butte	5	120	Fair	At	Var 2012	10/20% open with improved skiing
France Val d'Isere	30	120	Good	Open	Var 2012	60/70% open, good on upper runs	U.S. Deer Valley	5	120	Fair	At	Var 2012	10/20% open, good but cold
France Val Thorens	30	120	Good	Open	Var 2012	60/70% open, good on upper runs	U.S. Mammoth	5	120	Fair	At	Var 2012	Excellent skiing conditions
France Les Gets	30	120	Good	Open	Var 2012	60/70% open, good on upper runs	U.S. Park City	5	120	Fair	At	Var 2012	Good snow conditions, all lifts open
France Courchevel	30	120	Good	Open	Var 2012	60/70% open, good on upper runs	U.S. Vail	5	120	Fair	At	Var 2012	Good snow conditions, all lifts open
France Les Deux Alpes	30	120	Good	Open	Var 2012	50/60% open, good on upper runs	U.S. Winter Park	5	120	Fair	At	Var 2012	2400m open, new snow

Key: L-Lifts, D-Depth in cm on lower and upper slopes, Mts-Mountain, Res-Resort, Snow-Snow, Last-Last report, Comments-Comments.

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THE AMERICAS

# Gore Emerges As Point Man In Defending The President

By Terry M. Neal and David S. Broder  
Washington Post Service

WASHINGTON — Vice President Al Gore has emerged as President Bill Clinton's chief defender in public and behind the scenes, ratcheting up rhetorical attacks on the Republicans and taking the lead in making personal appeals to members of Congress, past presidents and other influential politicians.

Instead of distancing himself from a president whose personal reputation has suffered grave damage, Mr. Gore has latched himself closer than ever to Mr. Clinton.

These stepped-up efforts have come while the first lady, Hillary Rodham Clinton, has lowered her profile and restrained her public comments in defense of her husband.

One of Mr. Gore's strongest statements came Saturday at the White House, just hours after the House voted to impeach the president.

The vice president alternately echoed the first lady's call a day earlier for national reconciliation and excoriated the Republican Congress for what he termed excessive partisanship.

"What happened as a result does a great disservice to a man I believe will be regarded in the history books as one of our greatest presidents," Mr. Gore said as a platoon of Democratic House members cheered behind him.

Political observers — including many Republicans — say that Mr. Gore has handled himself well and that it is unlikely he will suffer in a 2000 presidential bid because of his close association with Mr. Clinton. The public's continued high approval of the president's job performance and anger at Republican efforts to impeach him have cushioned Mr. Gore's political risks and perhaps even enhanced his image.

"Who would you want as president, Al Gore or George Stephanopoulos?" asked Michigan's national Democratic committeewoman, Joel Ferguson, who ran Jesse Jackson's presidential campaign in 1988. He referred to the president's former press secretary, now a television commentator, who has been critical of Mr. Clinton.

"You'd want someone loyal. Al Gore is loyal from conviction," Tony Quinn, a Republican consultant from California, said that Mr. Gore was politically safe as long as he does not fight lesser forms of punishment, such as censure.

"Bill Clinton is pretty popular in California, and this state has to be the fulcrum for Gore's campaign," Mr. Quinn said. "The most anti-Clinton conservatives have no animus toward Gore that I can see."



Downsizing on the North Pole — The lower half of a Santa Claus mannequin protruding from a trash can at the entrance to a landfill in Hillsboro, Oregon, after workers disposed of the truncated dummy.

## AMERICANS: Anti-Clintonites Just 'Don't Understand Country'

Continued from Page 1

ever impeached, his job-approval ratings, as measured in a New York Times/CBS News poll last weekend, climbed 6 points from the week before, to 72 percent, among his highest ratings ever in office.

Many of the people interviewed for this article, who were in the random group of Americans selected for that poll, conceded that they have never liked Bill Clinton.

"From the get-go, I've thought he's a draft-dodger, leftist, liar, slick," said Gary Holzhauer, 58, a computer programmer in Tennesse, Missouri. "Just hearing him makes me mad."

The group that favors Mr. Clinton's removal from office is overwhelmingly white, slightly more male than female and heavy with people who describe themselves as Republicans and conservatives.

Moreover, many who disapprove of many aspects of the president's conduct say they are bothered that, in the end, the question of his fitness has been boiled down to the matter of his relationship with Monica Lewinsky.

"Those contributions from the people in China, that bothers me more than the Monica stuff," said Tracy Hubbard, 36, a homemaker in New York.

"That should have been the issue, not Monica."

At least one Clinton critic said he did not care "how they get him," likening

the president to Al Capone and other mobsters who were brought down on tax-evasion charges rather than the more deadly crimes they were accused of.

The group is also represented by people of all political persuasions who say they have struggled with what message the country would send to its children by allowing Mr. Clinton to remain in the top office in the nation.

"It's pretty hard to explain to young people why it's O.K. for the leader of your country to lie, but not for anyone else," said Raymond Bohn, 34, a public school teacher from Brownsville, Texas.

"What are the young people going to read in the history books?" asked Karla O'Rourke, 60, a herbalist from Ramsey, New Jersey, and self-described political independent. "It's the man's integrity. He lied. If I cannot trust him to uphold the values that we instill in our youth, how can I trust him in any other issue?"

Sunny Pak, 42, a psychological counselor in San Diego, also said she thought Mr. Clinton had lost all moral authority to lead, and should be forced from office.

"He pointed his finger and bit his lip and narrowed his eyes and said he didn't have a sexual relationship," she said. "And he's a bald-faced liar."

Sammy Paul, 52, a home contractor in Seattle, recalled he had once had to cancel his son's ski trip because of an incident in which his son was untruthful. "As a father trying to raise a son," he

said, "it would be real easy for me to just pretend I didn't find out about that and let him go off and have a good time? But what kind of father would I be if I did that?"

"Now, Clinton is the highest law-enforcement officer in the land," Mr. Paul added. "He took an oath. He swore to uphold and defend the constitution."

"I've listened to all his apologies, and they've turned me more against him," he said.

"The only thing he's apologizing for is, 'Gee, I'm sorry I got caught,' and 'Gee, I'm so sorry you have to see me this way.' I still haven't heard him say, 'I lied.'"

Many of those interviewed say they well understand the legal distinction between saying something under oath and saying it before television cameras while not under oath. But in general, they said they believed that Mr. Clinton deserves removal for lying in either instance, and said that they believed that such lies amounted to a "high crime," the standard set for impeachment under the constitution.

"I don't know the precise definition," said Dan Hinchey, 39, a civil engineer in Cherokee, Iowa, and, in fact, the let-down the American people by lying to them. When he lies like that to the people, that's a high crime right there."

# House Foe of Clinton's Argues Against Haste

Study the Evidence, DeLay Urges Senators

Compiled by Our Staff From Dispatches

WASHINGTON — With the momentum for punishment short of removing President Bill Clinton apparently building in the Senate, his most deadly opponent in the impeachment battle in the House of Representatives said Wednesday it was premature to shortcut a Senate trial and rush to judgment.

The Republican House whip, Tom DeLay of Texas, said the House had adopted two articles of impeachment against Mr. Clinton "due to the overwhelming evidence against the president." Mr. DeLay said the tide could turn swiftly against the president if the senators carefully read the evidence.

"Before people look to cut a deal with the White House or their surrogates who will seek to influence the process," he said, "it is my hope that one would spend plenty of time in the evidence room. If this were to happen, you may realize that 67 votes may appear out of thin air."

The Republicans hold 55 seats in the Senate, and the Democrats 45. The constitution requires the approval of two-thirds of the Senate, or 67 votes, to convict and remove a president. A number of senators have suggested that a long trial be avoided because there never would be votes to convict Mr. Clinton of "high crimes and misdemeanors."

Mr. DeLay advised senators, "There are reams of evidence that have not been publicly aired and are only available to members." He began rounding up House votes for impeachment at a time when several dozen Republican moderates had not declared their intentions. Virtually all of them ended up voting for two articles of impeachment, accusing Mr. Clinton of perjury and obstruction of justice.

Mr. Clinton visited a community center in Baltimore on Wednesday to highlight programs that help homeless people find a place to live and rebuild their lives. He received support from Maryland's Democratic political leaders, who called for an end to the partisanship that marked Mr. Clinton's impeachment last week. "The divisiveness we have seen in these past few weeks is unhealthy for our country and our democracy," said Senator Paul Sarbanes, Democrat of Maryland. Addressing Mr. Clinton, he said, "We need you at the helm."

The mood at the White House was far from grim despite the historic import of events and some anxious eyes on the impeachment process. "There was some anger and frustration leading up to the vote that this was actually going to happen, but now some people just feel relieved," a White House official said on condition of anonymity. "Now that we move out of the House, where it was so bitter, so partisan and so unfair, now it's moving into the Senate, there is hope that it will be more fair."

Many senators were exploring the idea of censuring Mr. Clinton but allowing him to finish out his term. But getting to that point is likely to be difficult and is by no means certain.

Senator Christopher Dodd, Democrat of Connecticut, said senators should try to resolve the issue quickly. "At this point, based on some of the public statements," Mr. Dodd said on the NBC, there are not enough votes to convict Mr. Clinton. Rather, he said, there is a "strong sentiment for censure."

"Why put the country through a trial that isn't going to result in a conviction?" he asked.

"I know Tom Daschle has been talking with members of the Democratic side and I presume and am told that Trent Lott is talking to his side," Mr. Dodd said, referring to the majority and majority leaders in the Senate.

Representative Lee Hamilton, an Indiana Democrat, said he had been talking with moderate Republicans and they insisted on two conditions for a censure settlement: that Mr. Clinton acknowledge he lied and that he pay damages.

While interviews with senators, their aides and others indicated that the momentum for punishment short of removing Mr. Clinton had gathered strength in the Senate, hopes for censure could easily fall apart through missteps by the White House or disagreements over the critical details of a resolution.

Asked if there was an "emerging consensus" for censure, Senator

Daschle said, "I think there is one, at least the potential for it, but there is a lot of uncertainty about when it would occur and what it would say."

Mr. Daschle said he and Mr. Lott, the majority leader, had conducted "a number of discussions" over how to proceed. "We are discussing it with our caucuses," he said, "and attempting to construct a schedule that will allow an expeditious consideration of the articles of impeachment early next year."

There also are conversations under way across party lines. Out of all of the talks has come a consensus that a Senate trial will almost certainly be started.

"I believe there is a consensus that a trial must start, of respect for constitutional precedent and respect for the House," said Senator Kay Bailey Hutchison, Republican of Texas. "From that point on, I think all the options are open."

Preliminary soundings among the 45 Democratic senators indicate that there are no certain votes to remove Mr. Clinton from office and strong support for some alternative punishment.

The Republican situation is more murky. No senators have said they would vote to convict, although there are a number of conservatives who are believed to favor that outcome. Some senators have said they want the trial to go to its conclusion.

But the fact that somewhere in the neighborhood of a dozen Republican senators have talked generally about censure suggests that a growing proportion of the 55 are looking for ways to avoid a long Senate trial that could further damage the party's image with the public.

(AP, AFP, Reuters, WP)

## Congressman Paid Aide for Dual Function

By Julie Eilperin and Howard Kurtz  
Washington Post Service

WASHINGTON — Representative Dan Burton, Republican of Indiana, has approved nearly \$500,000 in payments and salary to his campaign manager, a part-time clown, who appeared simultaneously on his political and official House payrolls.

Such dual employment can be problematic, which prompted the House ethics committee to recommend earlier this year that staffers doing both government and campaign work carefully document their time. It is against the law for lawmakers to use their office budgets to subsidize their campaigns, or vice versa, and most Capitol Hill staffers take time off to work on their bosses' campaigns.

In Mr. Burton's case, the dual payments to Claudia Keller, mostly over the last nine years, were often made during the same periods, according to federal records. Last year, for example, Mr. Keller received almost \$22,000 for working at Mr. Burton's Indianapolis and Greenwood district offices an average of two days a week, along with nearly \$44,000 for her full-time campaign job.

The Burton campaign has also paid Ms. Keller \$250 a month to rent office space in her Lawrence, Indiana, home, by declaring it the campaign headquarters. And Ms. Keller has received more than \$50,000 in campaign-related expenses, including payments for appearances by her "Buttons & Bows" clown service.

Mr. Burton has been one of the sharpest congressional critics of President Bill Clinton's campaign financial practices. His own expenditures, first reported in the Indianapolis Star and expanded upon in the on-line magazine Salon, highlight a pattern of campaign spending that has raised concerns among congressional watchdog groups.

A spokesman for Mr. Burton, John Williams, did not dispute the expenditures, but described Ms. Keller's work as a legitimate part of the congressman's campaign and official efforts. He said Ms. Keller was careful to keep both sets of activities separate.

### POLITICAL NOTES

#### TV Story of the Year: Monica

NEW YORK — The Monica Lewinsky scandal was by far the most-covered story on evening news broadcasts this year. ABC, NBC and CBS did more stories on the scandal than the combined total of the Asian and Russian economic crises, the standoff with Iraq, the bombing of U.S. embassies in Africa, the United Auto Workers strike, the Middle East peace process, nuclear testing in India and Pakistan and John Glenn's return to space, the Center for Media and Public Affairs said Tuesday.

"We thought that nothing could top the O.J. Simpson story and this proved us wrong," said Robert Lichter, president of the Washington-based think tank.

Through Dec. 15, the three evening news broadcasts did 1,502 stories about the scandal, eating up just under 43 hours of time, the group's study said.

The second biggest TV story of the year, the weapons inspection standoff with Iraq, generated 502 stories and 13 hours worth of time.

Despite the preponderance of Lewinsky coverage, ratings indicate that many viewers are still interested. CNN recorded its highest one-day ratings of the year on Saturday during the House vote to impeach Mr. Clinton.

NBC's "Nightly News" won the Monica broadcast derby, devoting nearly 15 1/2 hours of coverage to it this year. ABC had 14 hours and CBS spent 13 1/2 hours on the story, the center said. (AP)

#### And in Another Scandal...

WASHINGTON — With harsh words for former Commerce Department officials, a federal judge has ordered a court-supervised expanded document search in a suit alleging that the department sold trade mission slots for political donations.

Judge Royce Lamberth of U.S. District Court suggested Tuesday that political animosity between government attorneys and the conservative plaintiffs at Judicial Watch was to blame for the standoff in the four-year-old case.

But he compared the legal maneuverings by former Commerce Department officials to the behavior of "hooligans" and "scofflaws."

As part of its suit, Judicial Watch alleges that the late Commerce Secretary Ron Brown, who was killed in a 1996 plane crash, used trade-mission invitations to raise large campaign donations for Democrats. (AP)

#### Away From Politics

• New York's highest court struck down a portion of the state's death penalty law because it might unfairly encourage guilty pleas from defendants to plea bargain for life-in-prison sentences in exchange for not having to face a death penalty prosecution. (AP)

• Laws prohibiting murderers, rapists and other felons from buying weapons should be broadened to cover people who have been convicted of petty theft, drunken driving or any other misdemeanor offense, according to a study published in the Journal of the American Medical Association. (LAT)

• Gasoline stations, school districts, fire departments and trash collectors that store fuel in potentially leaky underground tanks face fines of up to \$11,000 a day unless they shut them down. (NYT)

## Commercial Plant Wins Tritium Deal

Nuclear Contract Breaks Long-Standing U.S. Nonproliferation Policy

By Walter Pincus  
Washington Post Service

WASHINGTON — Energy Secretary Bill Richardson has announced that the U.S. government will purchase future supplies of tritium, a radioactive gas that is a key element in nuclear warheads, from a Tennessee Valley Authority plant whose prime function is to generate electricity for homes and businesses.

The Energy Department decision to use a commercial reactor for military nuclear programs breaks a long-standing U.S. nonproliferation policy. Washington has long urged other countries, most recently North Korea, India and Iraq, not to use nuclear power reactors to produce plutonium or highly enriched uranium, two other key components of nuclear bombs.

Mr. Richardson said at a news conference Tuesday that his decision to purchase tritium, which boosts the explosive power of hydrogen bombs, from the Tennessee Valley Authority's Watts Bar nuclear plant was made in part as a cost-saving measure. While Mr. Richardson declined to give any figures, a congressional source said the program could cost about \$400 million over 15 years, billions

less than alternative options. The secretary had four main options for future tritium purchases. The most costly were construction of a new linear accelerator proposed jointly by the Los Alamos National Laboratory and the Savannah River Site in Aiken, South Carolina, and completion of work on a large Tennessee Valley Authority reactor at Bellefonte, Tennessee. Another option was to reactivate and use the Fast Flux Test Reactor at Hanford, Washington.

Because tritium, an isotope of hydrogen, decays at a rate of 5 percent a year, U.S. weapons will need new tritium in existing H-bombs and warheads early in the next century if they are to remain reliable. The United States stopped producing tritium for weapons in 1988.

The secretary's decision was criticized by Representative Edward Markey, Democrat of Massachusetts, ranking minority member of the House commerce subcommittee that has oversight on the nation's civilian reactors. "We have breached the 53-year separation between atoms for peace and atoms for war," Mr. Markey said.

Mr. Markey said he would work next year for legislation that "would establish a general prohibition against civilian reactors from being turned into nuclear bomb factories."

## As Octuplets Hold Their Own, Gifts Flow to the New Family

New York Times Service

HOUSTON — As the eight babies born to a Houston woman struggled to survive Wednesday as the first known living octuplets, donors from around Texas and across the country pledged money and goods to help the new family.

"The good news is that there hasn't been any dramatic change in the conditions," said Leonard Weisman, chief of neonatology at Texas Children's Hospital, where the six girls and two boys remained under sedation. "We don't look for significant change. We are happy with small progressions."

The oldest infant was being fed formula through a nasal tube, while the other seven received an intravenous mixture. Doctors examined all eight on Tuesday afternoon and found that all were responding to sound and light, but the smallest was found to have a treatable heart condition common to premature babies.

The babies remained in critical but stable condition,

while their mother, Nkem Chukwu, had shown marked improvement throughout the day after surgery to correct internal bleeding. Mrs. Chukwu, 27, was listed in good condition at the adjacent St. Luke's Episcopal Hospital.

Hospital officials said they had received a steady stream of calls and packages. A food chain based in Houston, Randall's Food Markets, donated a year's worth of groceries. A national company, Drypers, has donated a lifetime supply of baby wipes and disposable training pants. Another company, which asked to remain anonymous, donated a lifetime supply of diapers. Mead Johnson Nutritionals donated a year's worth of infant formula.

The most unusual call, said Marianne Dwyer, assistant director of hospital philanthropy at St. Luke's, came from Excalibur Tire and Wheel, a local chain of auto supply stores, offering the family a lifetime supply of tires and oil changes. "It's so sweet," Ms. Dwyer said.

### CROSSWORD

#### ACROSS

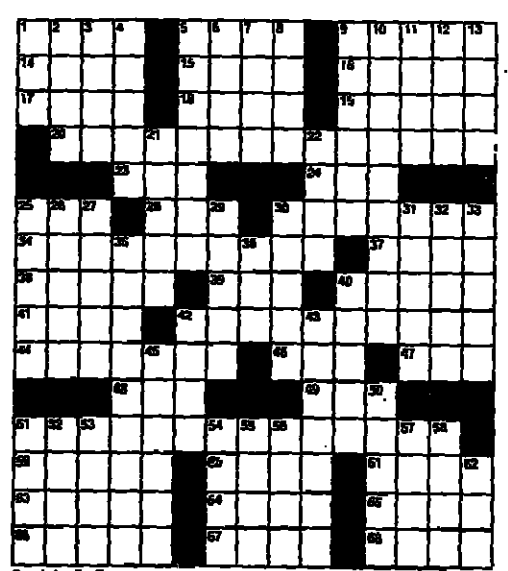
- 1 How-to stuff
- 5 Toasted food
- 9 "Watership Down" author
- 14 Say quickly
- 15 The art of weaving
- 16 Remains in Red Square?
- 17 Sign of goodness
- 18 Holder of combs, perfumes, etc.
- 19 Espresso order
- 20 With 34 across, a child's 12/24 lament
- 23 Gift in Maui
- 24 One of the Kennedys
- 25 Peas' kin
- 26 Schmoose
- 28 Worse than poor
- 34 See 20-Across
- 37 Chow chow
- 38 Not carrying a heater
- 39 Barley beard
- 40 Carving, e.g.
- 41 "Family Ties" son
- 42 With 51-Across, Ms. Bell's response

#### DOWN

- 11 Dead against
- 12 Bum protection
- 13 Snicker
- 21 Daughter of King Lear
- 22 Singer Redding
- 23 Record label acronym
- 26 Big name in pitball
- 27 Sorcerer's look
- 28 Dependancy, with "the"
- 29 Producing greens, maybe
- 31 Custard pie
- 32 —to grab
- 33 Kind of ticket
- 34 It runs while you ride
- 36 Bowl over
- 37 Agitate
- 43 "Oh, what am I to do?"
- 45 Tiny laughs
- 50 Li
- 51 Canine holders
- 52 —to one's core
- 53 Traveler's need, maybe
- 54 "Steep Trails" author
- 55 About

#### Solution to Puzzle of Dec. 23

MATT METZ DICE  
AUBER ASNE ATOD  
CRAY STRAWVOTE  
ROB STEELIE TIKO  
ARAMIS EON SAIT  
WAGES BLT RIGET  
ELSA JAI MORELS  
THESTIGS  
ZABLOTTUS RUL  
MAINE BLY ELAIN  
MAVE FEE IQUINT  
ELL AIRPACK LEG  
BOLDRICK LIAM  
AVID AQUE EZRA  
WAPS SPTS DEBS



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Friendships  
every Saturday  
in The Internet



INTERNATIONAL

# NATO Warns Both Sides As Kosovo Tensions Rise

Stage No Attacks, Serbs and Rebels Are Told

**PRISTINA, Yugoslavia** — Concerned with the fast-deteriorating situation in Kosovo, two top NATO officials warned both sides in the conflict Wednesday against launching more attacks.

The North Atlantic Treaty Organization's top commander for Europe, General Wesley Clark of the United States, complained of "increasingly aggressive Serb military and police activities."

Speaking to reporters in neighboring Macedonia, he said that the alliance was watching closely to ensure that the Yugoslav president, Slobodan Milosevic, kept his promises under an October agreement aimed at halting bloodshed in the secessionist Serbian province.

In Brussels, the NATO secretary-general, Javier Solana Madariaga, said that the escalating violence and recent killings posed "a grave risk to the cease-fire."

"We remain fully vigilant and ready to act," he said.

The officials' comments came amid reports that one man was killed and three others wounded in two shootouts in Kosovo — in the northern town of Kosovska Mitrovica and in a suburb of the capital, Pristina, late Tuesday.

The renewed violence threatens to revive the all-out war that raged between secessionist ethnic Albanians and Serbian security forces from February to October. During that time about 1,000 people lost their lives and another 300,000 lost their homes.

General Clark said that the stepped-up police activities were not in accordance with Mr. Milosevic's pledges in an Oct. 12 agreement. He said that Mr. Milosevic and top military commanders in Belgrade had been told they "must comply with their promises made to NATO."

International officials also have criticized ethnic Albanian rebels in Kosovo for endangering the cease-fire by carrying out provocative missions.

Mr. Solana warned both sides "not to try to use the Christmas and New Year period to launch attacks or to conduct operations which would undermine the fragile security situation in Kosovo and further jeopardize the prospects for a peaceful solution."

But, in a sign of continuing defiance, the main board of Mr. Milosevic's Socialist Party met Wednesday and said that it supported the Serbian forces' continuing efforts and "destruction of the terrorist gangs."

**Troops Onset Croatian Police**

NATO-led peacekeeping troops on Wednesday expelled Croatian police from a disputed border town that the police had occupied since the Bosnian war, returning it to Bosnian control, Reuters reported from Sarajevo, Bosnia-Herzegovina.

The international Stabilization Force said the operation in the town of Martin Brod had been requested by the West's top peace envoy to Bosnia, the Spanish diplomat Carlos Westendorp, and was completed without incident.

It said that the territory was now under the jurisdiction of police of the Muslim-Croatian Federation that makes up half of postwar Bosnia.

## Italy Denies Seeking Refuge for Kurd Chief

**ROME** — The Italian prime minister denied Wednesday that his government was involved in negotiations to send a Turkish Kurdish rebel leader, Abdullah Ocalan, to a third country, saying that he was free to go where he pleased.

Italian and Turkish newspapers have recently published reports that Mr. Ocalan, whose detention here Nov. 12 created an international incident, was about to be expelled from Italy.

The list of countries mentioned includes Estonia, South Africa, Libya, Pakistan and South Africa.

But Prime Minister Massimo D'Alema said that a ruling by Rome's appeals court last week to lift all restrictions on Mr. Ocalan made him free to choose his own destiny.

"The most probable outcome is that Ocalan will leave the country," Mr. D'Alema said during a year-end news conference.



**FURLOUGH FOR A TERRORIST** — Patrick Magee, the IRA terrorist who blew up the Brighton Hotel in England during the Conservative Party conference in 1984, being released Wednesday for a Christmas furlough from the Maze Prison in Belfast. In all, 170 paramilitary prisoners were freed for the holidays.

### BRIEFLY

#### Germans Seize Train Suspect

**BONN** — The police have arrested a man suspected of trying to extort 10 million Deutsche marks (\$6 million) from the German railroad with acts of sabotage, officials said Wednesday.

Aided by air force reconnaissance planes, the police had been chasing the blackmailer for several weeks amid a growing holiday-season scare for railroad employees and passengers. Helicopters and 400 extra federal police were also ordered out to patrol rail lines.

The suspect was arrested late Tuesday at an autobahn rest area in Bavaria, the Austria Press Agency reported. He had been en route to a ransom money handover in neighboring Austria, where the police were poised to seize him, the report said, quoting the Austrian Interior Ministry. (AP)

The 20 million Deutsche mark (\$12 million) fund transferred 10,000 DM each to 17 former slave laborers in Poland and 31 in the Netherlands, it said.

The fund recently took out advertisements in 22 countries to publicize the payments and tell how to apply. VW estimates that 17,000 forced laborers worked in its factories from 1941 to the end of World War II in 1945, although others say that the number was higher. (AP)

#### Short Audience for the Pope

**VATICAN CITY** — Looking wan after a bout with the flu, Pope John Paul II held a general audience Wednesday that was much briefer than usual.

Apparently to allow himself more time to rest before his Christmas Eve midnight Mass will keep him up till the wee hours of Friday, the 78-year-old pontiff broke with his tradition of meeting separately with fellow Poles.

With the aid of a cane, the Pope walked slowly into the auditorium at the start of his customary weekly audience with the public. His speech and greetings in several languages were among the shortest in recent years and, in all, the audience lasted about 50 minutes. That was roughly half the length of his usual meetings with the public. (AP)

#### VW Begins Nazi-Era Payments

**HAMBURG** — A fund set up this year by Volkswagen to compensate its former slave laborers from the Nazi era has made its first payments, the German automaker said Wednesday.

### ASIA/PACIFIC

## CHINA: The Message Is Clear

Continued from Page 1

goals, and might eventually have joined our party," said Mr. Chen, 50. "But now, after these trials, it's impossible. Most people wouldn't dare to get involved."

Certainly the authorities have made it clear that they will do whatever it takes to shut the new party, which had become the focal point of the democracy movement.

Still, experience suggests that activists will soon find new ways to challenge the system.

As recently as January 1997, after long prison sentences had been given to the prominent dissidents Wei Jingsheng and Wang Dan, the U.S. State Department said in a report that no active dissidents remained in the country.

For most of 1997 it seemed that way, but toward the end of the year, as Mr. Wei was sent into exile and Chinese-American relations warmed, activists sensed a slight easing of controls and began to speak out again.

People like Mr. Xu, 55, and Mr. Qin, 44 — both of whom had previously served long prison terms — began faxing statements to colleagues and the foreign press. Then this year, as President Bill Clinton visited China in June, Wang Youcai founded the Democracy Party.

Almost overnight, hundreds of people appeared who seemed willing to risk everything for the cause.

Even Wednesday, as their colleagues were heading for prison, some Democracy Party members spoke bravely about carrying on.

In Beijing, a leading organizer, Gao Hongming, said: "The China Democracy Party will continue working for a free, democratic China and it will do so in a way that is public, rational and nonviolent."

Mr. Gao, 48, recently spent two years in labor camps for distributing leaflets critical of the 1989 crackdown on student demonstrators in Tiananmen Square. The last week's trials, he acknowledged,



**A pro-democracy activist in Hong Kong burning portraits of President Jiang Zemin of China on Wednesday to protest the imprisonment of three dissidents on the mainland on charges that they subverted state power.**

had "greatly slowed the development of a truly national party." But, he said, "because of the achievements of the last six months, the mechanisms for its establishment are in place."

For now, Mr. Gao said, activists should work quietly to spread democratic ideas at the local level. "The government will feel it can keep an eye on us," Mr. Gao said. "I don't think they'll throw us all in jail."

The harsh crackdown has had the opposite of the intended effect on at least one person.

Jia Wei, a 36-year-old former high school teacher in the northeastern city of Changchun, said that he has believed in democracy since he was a teenager. But he never became involved in political organizing, although he had recently been intrigued enough by the Democracy Party to meet with Mr. Xu in Beijing.

"This terrible repression has been a massive shock to my spirit," he said of the sentences. "Now I feel the work of Xu Wei is to be continued for the good of society."

"Direct political activities may be necessary," he added. "And now I have to contemplate the possibility of spending time in prison."

A big unknown for the dissident movement is the extent to which young people may become involved. Virtually all those who became declared members of the Democracy Party were veterans of either the Democracy Wall movement of the late 1970s or the student-led demonstrations in 1989. Certainly, many current students and other young people are skeptical about the Communist Party but few have shown a willingness to risk their futures by openly confronting it.

This could change in the event of prolonged economic hardship or other social traumas, which helps explain why President Jiang Zemin, in a speech last week, said China must "fight against factors disrupting social stability and nip them in the bud."

Chinese scholars say the government is especially sensitive about dissident political activities now because of growing unemployment and frequent protests by unpaid workers. The party's ultimate nightmare is a joining of democracy and labor movements against it.

Any threat to the supremacy of the Communist Party is, by definition, a threat to national security. This gave officials a neat way to explain why the latest trials did not violate the International Covenant on Civil and Political Rights, which China has signed but not ratified.

## Police Assault Temple to Evict Monks in Seoul

**SEOUL** — Monks seeking control of South Korea's largest Buddhist order clashed with the police Wednesday, throwing rocks and firebombs at officers who later evicted them from a temple building.

The police used water cannon and tear gas during the raid, which ended a 40-day standoff between rival monks at Chogye temple, the spiritual home to 3 million Buddhists in a nation of 44 million people.

About 20 police and monks were injured, some seriously, and 100 monks and followers were arrested.

The police moved in after court officials twice failed to serve an expulsion notice to about 100 dissident monks who had been in control of the building since Nov. 11.

Hundreds of helmeted riot police, firing tear gas and using water cannons, entered the building. Dozens of gray-robed monks fought back, directing water from hoses and throwing firebombs, rocks and furniture at the police.

A shaven-headed monk emerged on a balcony, took off his shirt and slashed his belly with a knife to protest the police action. He was taken inside, bleeding.

Five riot police were injured, two seriously, when they fell from a mechanically driven ladder transporting them to the roof of the building.

Religion experts said the police action was not expected to resolve internal conflicts in the order. For years, Chogye has been plagued by leadership struggles between rival monks.

A Seoul civil court, acting on a lawsuit filed by ousted mainstream monks, had ordered the renegades to move out of the temple by Saturday. The occupants had refused to heed the order.

## Independent In Turkey to Form Cabinet

**ANKARA** — President Suleyman Demirel asked an independent lawmaker in Turkey's cabinet to form a new government Wednesday after a veteran leftist leader failed to gather enough support in Parliament.

Mr. Demirel picked Yalim Erez, the industry and trade minister, in hopes he could draw wide support from Turkey's bickering political parties.

Mr. Erez said he would search for consensus, asserting, "I am at an equal distance to all of the parties."

"Today is not a day for political squabbles and small political calculations," he said. "Turkey has no more patience for a government crisis."

The government of Mesut Yilmaz, who is now acting prime minister, collapsed last month in a vote of no-confidence over a corruption scandal.

Bulent Ecevit of the Democratic Left Party abandoned efforts to form a new government Monday after failing over a three-week period to receive enough backing for a majority in Parliament.

Mr. Demirel turned to an independent lawmaker instead of a party leader after most parties, unable to overcome their differences to form alliances, said they would support a government led by a low-profile figure until elections in April.

The president backed the long-standing tradition of designating the leader of the largest party in Parliament as prime minister, which would have brought the Islamic-oriented Virtue Party to power.

The military would have been certain to oppose such a government. Turkey's generals pressured the Virtue Party, the predecessor of the Virtue Party, out of power in June 1997, accusing it of trying to raise the profile of Islam in society.

Mr. Erez appears to have been chosen in part because he sided with the secular establishment. He resigned from a ministerial post that he held during an earlier coalition between his center-right True Path Party and the Virtue Party in April 1997, two months after the military warned the government to abide by Turkey's strictly secular constitution.

On Tuesday, Turkey's top general, Huseyin Kivrimoglu, issued a statement reminding the country that the armed forces were committed to protecting secular traditions.

Mr. Erez, 54, is of Kurdish origins. Kurdish rebels have fought a 14-year guerrilla war for autonomy in Turkey's southeast. Mr. Erez raised controversy in 1995 when he advocated social and economic measures to improve life in the Kurdish-dominated southeast. Lately, the military itself has supported the idea.

Turkey has had other prominent government leaders of Kurdish origin, including the current speaker of the Parliament, Hikmet Cetin, and a late president, Turgut Ozal.

Mr. Erez, a businessman-turned-politician, must now undergo a vote of confidence in Parliament to determine whether he can command a majority of votes. He said he would start negotiations on a new coalition Monday.

## Le Pen's Party Expels Its No. 2 And 6 Others

**SAINT-CLOUD, France** — A feud within the far-right National Front intensified Wednesday when the executive committee formally expelled the party's No. 2 leader.

"The National Front is not a free-for-all," the party's secretary-general, Bruno Gollmeier, said in announcing the expulsion of Bruno Megret and six other leaders of the party.

"In face of the seriousness of these actions, the executive bureau, holding a disciplinary meeting, took that painful but firm decision," he said at party headquarters here in this western Paris suburb.

The others expelled were Serge Martinez, Daniel Simonpieri, Jean-Yves Le Gallou, Franck Timmermans, Philippe Olivier et Pierre Vial.

Mr. Megret and the six others were suspended from the party this month after challenging the party's founder and leader, Jean-Marie Le Pen. The crisis within the National Front was centered on Mr. Megret's call for a special party congress to heal divisions. Mr. Le Pen saw the move as a trap to unseat him.

The rebels refused to attend the executive committee meeting, at which they were expected to be formally expelled from the party, dubbing it a "Moscow-style show trial."

Mr. Martinez said the expulsions were "null, void and ridiculous."

He said the rebels had collected more than 14,000 signatures of National Front members calling for a party congress of Jan. 24 at which the expulsion of Mr. Le Pen could top the agenda.

At stake is the right to control party finances, the Front's name and logo and the group's huge headquarters building.

Mr. Megret, 47, first challenged Mr. Le Pen, 70, in the autumn by insisting that he, and not Mr. Le Pen's wife, Jany, should lead the party slate in European Parliament elections next year.

Mr. Le Pen wanted his wife to run after he was threatened by court action that could bar him from politics.

Mr. Le Pen was sentenced to a one-year political ban after he was convicted of assaulting a Socialist politician last year.

The anti-immigration party, accused of racism and anti-Semitism, traditionally wins about 15 percent of the national vote in elections. But a recent poll indicated the National Front could lose up to half its voting bloc over the feud. (AP, Reuters)

## SIGNAL: Wider Crackdown

Continued from Page 1

and Qin Yongmin. The three, all veterans of movements in China for democracy, were jailed for attempting to establish the country's first opposition party, the China Democracy Party. Mr. Xu was sentenced to 13 years, Mr. Qin to 12 years and Mr. Wang to 11.

The Communist Party has handled their cases in a fundamentally different manner than previous crackdowns. For one, it has publicized details, informing its citizenry that the defendants tried to form an opposition party and received funds from an unidentified foreign organization.

That has raised the eyebrows of some Chinese readers. "They have never acknowledged that before," said a Beijing activist about a report that mentioned the attempt to form an opposition party. "It's a breakthrough of sorts."

Second, the party-run press has also issued editorials and articles that attempted to justify the crackdown. One article compared Mr. Xu's jailing favorably to American laws against treason.

The rules issued Wednesday by the Supreme People's Court underscore a fear of some Chinese that the crackdown against dissidents is part of a broader cultural tightening.

So far, the Communist Party has drawn a distinction between organized dissent, which it has crushed, and the increasing openness of its films, books, plays and television shows.

"But that could change very suddenly," said a Chinese cultural official.

## Trial of Anwar Hears Exculpatory Evidence

**KUALA LUMPUR** — A defense lawyer in the sex and corruption trial of Anwar Ibrahim read out excerpts Wednesday of a conversation he said was tape-recorded in London and proved a conspiracy to oust Malaysia's former finance minister.

But Judge Augustine Paul ordered the media not to print excerpts of the recording until he decided Thursday whether the cassette tape could be admitted as evidence.

"I make a ruling to the press not to publish extracts of this conversation until tomorrow," Judge Augustine said after prosecution lawyers appealed for a media blackout of the tape.

A defense lawyer, Gurbachan Singh, said the tape supported Mr. Anwar's argument that he was a victim of a political conspiracy that culminated in his dismissal and arrest in September.

Mr. Anwar is on trial in the capital's High

Court on five counts each of sodomy and corruption. He denies the charges, saying they are part of a plot by Prime Minister Mahathir bin Mohamad's friends to destroy his political career. (Reuters)

## Pressure Rises on Suharto

**JAKARTA** — Indonesian authorities opened the court-martial Wednesday of special forces troops linked to former President Suharto's son-in-law, and stepped up the pressure on Mr. Suharto himself over graft allegations.

Attorney-General Andi Ghalib said that Mr. Suharto would soon be named as a suspect in a corruption case involving a tax-free car manufacturing project headed by his youngest son.

"The investigation all leads to corruption," Mr. Ghalib said. "The country is suffering losses because of the tax problem resulting from the national car project."

Asked if Mr. Suharto would be as a suspect soon, Mr. Ghalib said, "Yes." (Reuters)

## Nepal Leader Is Named

**KATMANDU, Nepal** — Nepal's king reappointed Girija Prasad Koirala as prime minister Wednesday, three days after he lost a majority in Parliament and then cobbled together another coalition.

Mr. Koirala came back to power with the help of a Communist group, and announced Wednesday that the government planned to hold general elections by April 13. (AP)

## Japanese Honor Tojo

**TOKYO** — A half-century after they were hanged by the Allies, the wartime Japanese leader Hideki Tojo and six other convicted war criminals were quietly honored Wednesday in a memorial service in Tokyo.

More than 600 people gathered for a three-hour service at the Kudan Kaikan hall in central Tokyo, a hall spokesman said. The memorial was sponsored by a group planning to build a permanent hall for those executed. (AP)

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...Bombing

### BRIEFLY

#### French Court Hears Call for Sentencing

**PARIS** — A French court heard Wednesday a call for sentencing a man suspected of involvement in the 1995 bombing of a Jewish synagogue in Paris.

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#### British Court Hears Call for Sentencing

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#### Cuban Diplomats Ordered Out of U.S.

**WASHINGTON** — The United States ordered Cuban diplomats to leave the country Wednesday after a series of attacks on U.S. officials.

The U.S. State Department announced the expulsions, citing a pattern of harassment and threats against U.S. personnel.



INTERNATIONAL

## Rockets Hit North Israel To Retaliate For Bombing

By Joel Greenberg  
New York Times Service

JERUSALEM — Shiite Muslim guerrillas in Lebanon fired a barrage of Katyusha rockets into northern Israel on Wednesday, wounding 13 people in retaliation for the killing of a Lebanese woman and six of her children in an Israeli bombing raid on suspected guerrilla targets Tuesday.

Prime Minister Benjamin Netanyahu, who is facing early elections, vowed that Israel would respond to the rocket attack, which was claimed by the Iranian-backed Party of God, or Hezbollah.

"We cannot pass over this in silence," Mr. Netanyahu told reporters at the northern Israeli town of Qiryat Shmuna, which was struck by rockets. "We will react according to our considerations at a time we see fit, and we will respond. Israel will respond."

An estimated 20 to 30 rockets slammed into Qiryat Shmuna and other communities along the border with Lebanon in two salvos that began at 7:30 A.M. The army and residents reported. A carpenter-shop worker suffered moderate wounds, and another 12 people were lightly hurt, the army said.

Some buildings took direct hits, but serious casualties were avoided because residents of northern communities had been ordered into bomb shelters overnight in anticipation of an attack. The rockets landed at an hour when people normally head for work and drive children to school.

"I heard a few tremendous booms," Mali Nizri, a woman whose house was hit, told Israel Radio. "Glass flew, I was wounded in the hand. I had on my son, I threw him to the floor so he wouldn't get hurt, because he was nearly killed by Katyushas last time. I laid on my son until the explosions stopped, and when I got up I saw the horror. My whole house was smashed."

Hezbollah said it had fired the rockets to avenge what it called the deliberate killing of the Lebanese mother and her children. "Once again, the resistance has fulfilled its promise to protect our



A woman looking through a hole Wednesday left by a Katyusha rocket that hit her home in Qiryat Shmuna.

territory and our civilians," it said in a statement. "Violence must be answered with violence. Their blood must be spilled for ours."

Hezbollah had vowed retaliation after an Israeli plane on a bombing mission against guerrilla targets in eastern Lebanon struck a farmhouse on Tuesday, killing Nadwa Othman, 35, and six of her children, and wounding her husband and another son.

The charred bodies of the seven family members were buried Wednesday in the town of Baalbek in a funeral that became an emotional protest against Israel and the United States. "There is no God but Allah, Israel and America are the enemies of Allah," mourners chanted.

Defense Minister Yitzhak Mordechai expressed regret over the deaths, saying they were an accident. An Israeli Army spokesman said the family's house had been hit by mistake during an air strike aimed at a Hezbollah training base and broadcasting relay station near the village of Jania in the Bekaa Valley in eastern Lebanon.

The Israeli Army's chief of staff, Lieutenant General Shaul Mofaz, said in a television interview that "incorrect target identification" by a pilot had caused the bombing error. A senior air

force officer identified only as Brigadier General Yossi said an apparent malfunction or pilot error caused two bombs to hit the house. He said an investigation had begun.

The Israeli Air Force has raided suspected guerrilla targets in Lebanon more than 100 times this year as part of its war of attrition with Hezbollah. The group is fighting to oust Israeli soldiers from a 14.5-kilometer-wide (9-mile-wide) strip in southern Lebanon that Israel has held since 1985 as a buffer against guerrilla attacks across its northern border.

Hezbollah has killed 20 Israeli soldiers this year, and lost 37 of its own men. Twenty-eight Lebanese civilians have been killed.

Under an American-brokered understanding reached in April 1996 following a 17-day Israeli air and artillery offensive against Hezbollah in southern Lebanon, neither side may target civilians.

Since then, however, Hezbollah has fired Katyusha rockets at Israel several times in response to the killing or wounding of Lebanese civilians by Israeli forces or by their local militia ally, the South Lebanon Army.

Visiting sites hit by the rockets Wednesday, Mr. Mordechai accused Hezbollah of "blatantly violating" the

1996 understanding by deliberately targeting civilians in response to the accidental killings by Israel.

Drawing the same distinction, Mr. Netanyahu said: "In contrast to the accident we had, in which civilians were tragically killed by mistake, there was malicious intent here to kill civilians and children on their way to school."

### Likud Overtures to Olmert

Israeli radio reported Wednesday that Likud leaders have asked the mayor of Jerusalem, Ehud Olmert, to run for the prime ministership, following former Finance Minister Dan Meridor's announcement Tuesday that he was quitting Likud to form a centrist party to challenge Mr. Netanyahu. Agence France-Presse reported from Jerusalem.

"We have the feeling that the party is on the verge of collapse and that it's never been through such a difficult period before," said Mr. Olmert, who until now has been one of Mr. Netanyahu's closest Likud allies.

The radio said Mr. Olmert has had discussions about forming an anti-Netanyahu alliance with Defense Minister Mordechai, who has taken pains in recent days to distance himself from Mr. Netanyahu.

## Security Council Gropes Toward a Policy on Iraq

Russia and China Remain at Odds With U.S.

By Barbara Crossette  
New York Times Service

UNITED NATIONS, New York — The Security Council, struggling to rebuild the fragile unity that was shattered by the U.S. and British bombing raids in Iraq, met again Wednesday to thrash out a statement broadly outlining a future policy toward the Iraqi president, Saddam Hussein.

After several hours of closed-door discussions, the council agreed to defer further formal discussion until next week.

"I think there is a sincere wish from all delegations to agree on a text," Hans Dahlgren, the Swedish representative, said after the meeting. "But it won't be today."

Russia, however, is expected to produce another version of its proposed draft of the policy statement Thursday, following the introduction of new ideas by the United States.

The administration of President Bill Clinton wants to tone down the role that Russia would propose for Secretary-General Kofi Annan, among other changes.

"Some of these amendments are helpful, some of these amendments are going contrary to the initial goal of this presidential statement," said Russia's deputy representative, Yuri Fedotov.

"Russia wants a very clear statement, which would express the view of the majority of the Security Council," he said, "and which would say basically three important things, which are: The Security Council is in charge and the Security Council is in favor of a political settlement of international crises; two, that the secretary-general must continue to play his important and meaningful role in this crisis; and three, we have to determine what is to be done in order to resume the implementation of the Security Council resolutions on Iraq."

Both sides appear ready to call a high-level meeting of the United Nations Security Council.

The commission, known as Unscow, was originally a panel of experts sent by various nations to work out a disarmament plan for Iraq in 1991, after the war in the Gulf.

When the process went on much

longer than expected, the part-time commission had to hire a permanent staff — including the weapons inspectors, currently under the direction of Richard Butler. The commissioners now meet only periodically as an expert board, with Mr. Butler as executive chairman.

By calling a meeting of the higher-level commission, the Security Council can to some degree defuse the tension over Mr. Butler and his day-to-day inspection and monitoring teams, who have now been barred from Iraq by Mr. Saddam's government.

The move could also save the commission, which the United States wants recognized, along with the International Atomic Energy Agency, as the sole judges of Iraqi compliance with a 1991 disarmament resolution.

Under the resolution, Iraq must be declared free of nuclear, biological and chemical weapons as well as certain missile systems to qualify for a lifting of sanctions.

Iraq says it meets the test. Mr. Butler says it does not.

On Wednesday, China joined Russia in calling publicly for Mr. Butler's dismissal. Shen Guofang, China's deputy representative, said to reporters that Mr. Butler "should go."

Iraq, at least rhetorically unchastened by air strikes last week, made the world of the United Nations a little more difficult Wednesday by barring all of the organization's flights into the country.

The Iraqis turned back a plane carrying military observers based along the Kuwaiti border. Baghdad also refused to allow Secretary-General Annan's special envoy, Prakash Shah, to fly out of Iraq. He had to make a 12-hour trip to Amman, Jordan, by road.

The Iraqis told Mr. Annan that it was unsafe to fly because British and American air maneuvers continued over the country.

### U.S. Withdrawing Bombers

The United States said Wednesday that it would withdraw many of its deadliest bombers and the aircraft carrier U.S. Enterprise from the Gulf, Reuters reported from aboard the Enterprise.

Defense Secretary William Cohen emphasized that Washington would keep enough U.S. troops and equipment in the region to be able to renew military attacks on Baghdad if President Saddam threatened U.S. allies in the region.

"To the extent that we determine that he is in fact going to pose a threat to the region again, then we're prepared to take action," Mr. Cohen told reporters accompanying him on a two-day trip to visit U.S. troops in the Gulf.

"We have the ability to react very quickly, so we're satisfied that our day-to-day force is adequate," he said.

Pentagon officials traveling with Mr. Cohen said that the number of U.S. troops in the Gulf region would drop to 21,000 to 22,000, from 29,900 during the four-day bombardment of Iraq.

They said that many of the heavy bombers and other aircraft used in the bombardment were heading home to bases in Alaska, Texas, California, North Dakota and Louisiana, including all six B-1B bombers, 12 tank-killer A-10s, 10 KC-10 tankers and 12 of 15 B-52 bombers.

But they said that the forces being withdrawn would remain on alert to return to the Gulf on 72 hours' notice if necessary.

### BRIEFLY

#### Libya Rebuffs U.S. On Bomb Suspects

CAIRO — A senior Libyan official said Wednesday his country was working on legal aspects of handing over two suspects in a 1988 bomb attack on a Pan Am jumbo jet, and would not give in to U.S. pressure to surrender them.

A total of 270 people were killed when the plane blew up over Lockerbie, Scotland.

"Libya does not submit to any warnings from America and we are working for the benefit of our citizens," the Libyan foreign minister, Omar Mustafa Muntashir, said after talks with President Hosni Mubarak of Egypt. He said Libya wanted to see a fair trial and there were "some contradictory legal points." Later, he held talks at the Cairo-based Arab League, saying afterward, "A solution is close." (Reuters)

#### Harare Court Hears Call for Sentencing

HARARE, Zimbabwe — Prosecutors said Wednesday that former President Robert Mugabe should be imprisoned after being convicted of sodomy and homosexual assault, and they dismissed his claims that his life was in danger.

Mr. Mugabe, 63, had Zimbabwe in November upon being convicted on 11 gay sex charges. The former president asserted when he returned from South Africa on Dec. 15 that he had left because his life was in danger from political opponents in the government. "We don't accept this whatsoever, we challenge it totally," said the chief prosecutor, Augustine Chikumba.

Judge Godfrey Chidzanku ordered Mr. Mugabe to remain under house arrest in Harare until sentencing Jan. 18. (AP)

#### 3 Cuban Diplomats Ordered Out of U.S.

WASHINGTON — The United States has ordered three Cuban diplomats to leave the country for activities incompatible with their diplomatic mission at the United Nations, a White House spokesman said Wednesday.

P.J. Crowley, a spokesman for the National Security Council, said the order was "based on a long exhaustive investigation by U.S. law enforcement authorities." Mr. Crowley offered no details, but "incompatible" activities "is diplomatic code language for espionage."

The Washington Post quoted sources as saying that the alleged espionage was linked to arrests in Miami on Sept. 14 of 10 people accused of collecting information on military installations and of trying to infiltrate anti-Castro groups in Florida. (Reuters)

## France Proposes New System for Monitoring Iraq

By Craig R. Whitney  
New York Times Service

PARIS — In the wake of the British and U.S. bombing of Iraq, France is proposing that the United Nations set up a new system for monitoring Iraq's arms programs and let it export oil, but make sure none of the revenue is used to buy weapons.

In an interview Tuesday night, Foreign Minister Hubert Vedrine said: "We think that seven years of monitoring by the UN Special Commission, plus the strikes that have taken place, have created a new situation."

"The objective we all have in the Security Council is for Iraq not to become a danger again, and with everything that has been inspected and monitored, and all that has been destroyed, we think we can move from inspecting the past, so to speak, to making the future safer."

"We think that should be done by the Security Council because its authority and its role have been put at a disadvantage," he added, echoing criticism by Prime Minister Lionel Jospin of the way the British and U.S. bombing had bypassed the Security Council. "The United States itself speaks of unity being necessary in the Security Council," Mr. Vedrine said. "If we really think the Security Council is important, we have to make it the key player again."

Asked to explain French ideas for a new system of UN monitoring, first called for by President Jacques Chirac on Sunday after the bombing ended, Mr. Vedrine said:

"First, we need a system of surveillance of arms, to verify that Iraq doesn't have more arms than it is allowed and doesn't embark again on a policy of acquiring weapons of mass destruction. We don't pretend to have a

detailed plan worked out, and we'll have to talk with all our partners in the Security Council. But there should be both technical means, cameras, etc., and on-the-spot inspections, but we think that can't be done by the UN Special Commission in its present form the way it has been done in the past."

Asked whether, like Russia, France believed that the commission's head, Richard Butler, should be replaced, Mr. Vedrine did not answer directly. "The question of personalities has been posed by several members of the Security Council, particularly by Russia, quite clearly, but I think you have to consider the question of personalities as a function of the job that has to be performed," he said.

"Second," he went on, "our thinking is that if we can agree on an effective system of continuous monitoring, one that provides adequate guarantees, we should be able to lift the embargo on

Iraqi oil sales — I'm not saying lift all the sanctions, there are other sanctions besides oil, and that's another problem."

But, he said, "The oil embargo has already been modified with the petroleum-for-food program. What happens to revenue from those sales is quite closely monitored, making sure they are used for the population and not for buying arms, for example. It shouldn't be that much more complicated to monitor the revenue from sales if the oil embargo is lifted. That's a sensitive issue, it's not something the Iraqis want."

"We haven't made detailed proposals, we're simply in the process of discussion," said Mr. Vedrine, who has been on the telephone in recent days with the U.S. secretary of state, Madeleine Albright, and the British foreign secretary, Robin Cook.

"We have expressed some ideas, but we think it has to be discussed with our Security Council partners," he said.

## BRITAIN: Blair Aide Quits Over Loan

Continued from Page 1

position. "It is no exaggeration to say that without your support and advice we would never have built New Labour," Mr. Blair wrote.

Mr. Mandelson refashioned the party, changing its red flag symbol to a red rose, shaping its agenda to suit the tastes and desires of an electorate the party researched through his office's modern focus-group techniques and encouraging its leaders to redirect their political approach to make it more alluring to middle-class voters and business.

In the process, he became a suspect figure to members of the party's shunned left wing and the trade union movement and to other people who simply resented the secrecy of his methods and his close friendship with the prime minister.

Mr. Mandelson also became the principal target of Conservatives looking for a Labour figure with more public vulnerability than Mr. Blair, who continues to enjoy record approval ratings. He was largely responsible for recasting Labour and, by extension, Britain as fast paced and up to date, symbolized by the mammoth Millennium Dome theme park project going up on the Greenwich Meridian under his direction.

Both well-tailored and well-connected, the dashing 45-year-old trade and industry secretary became the Blair government's most cosmopolitan member, appearing at society and cultural events and mixing with royalty. He successfully resisted blunt efforts by the British press to make him formally declare his homosexuality. He was the only member of the government to have this social season's most coveted ticket, an invitation to the 50th birthday party for Prince Charles at his Highgrove estate.

Mr. Mandelson's success in that world and his growing comfort with its tastes may have contributed to an overreach that produced his downfall. In 1996 Mr. Mandelson decided he wanted to move from his modest London home in Cleckwells to a much larger one in more fashionable Notting Hill. His salary as a backbench member of Parliament was £43,000. The house cost £475,000.

Mr. Robinson, his colleague on the back benches, extended the loan, and Mr. Mandelson accepted it and bought the house, saying that he expected money from an coming inheritance would allow him to pay it back promptly.

He did not record the transaction with records keepers in Parliament, did not acknowledge it in his formal mortgage application and did not mention it to Mr. Blair or government colleagues when questions about Mr. Robinson's financial interests were investigated by the department he had come to head.

When a report emerged in The Guardian on Tuesday, Mr. Mandelson went on radio and television shows saying that he had done nothing wrong. By Tuesday night he had become persuaded that the lapse constituted an "impression of wrongdoing," and he called Mr. Blair to offer his resignation.

Mr. Mandelson's first job in the Blair government was as minister without portfolio, a powerful position but one that kept him in the role of presenting the Labour program. He bristled at his depiction as a behind-the-scenes manipulator, or "The Prince of Darkness," as newspapers called him. When Mr. Blair named him to the cabinet post in July, he said he was glad to be "out in the light."

## Arafat Releases Hamas Sheikh

The Associated Press

GAZA CITY — Sheikh Ahmed Yassin, the Hamas spiritual leader, was freed Wednesday by Yasser Arafat's Palestinian Authority from nearly two months of house arrest.

Outside his house in a slum neighborhood of Gaza City, a crowd of rejoicing followers surrounded the frail, ailing sheikh in his wheelchair, kissing and greeting him.

Sheikh Yassin's release is likely to heighten tensions between the Palestinians and Israel, coming as the two sides accuse each other of violations of the stalled Wye River land-for-security accord.

Israel has repeatedly said that Mr. Arafat has not done enough to fight Islamic militant groups like Hamas, and word of Sheikh Yassin's release drew new criticism.

Sheikh Yassin was put under house arrest Oct. 29 after a Hamas activist killed himself in an unsuccessful attempt to blow up a school bus full of Israeli children. The attack came only six days after the signing of the Wye River accord.

## GUILTY: Ex-Head of NATO Is Sentenced

Continued from Page 1

prosecutor in the case, Eliane Lickendael, making her last court appearance before retirement, shot to national prominence when she used her summing-up to issue a devastating critique of the culture of corruption in Belgian politics, where parties and regional governments vie for influence across language lines.

At the time the payments were made, it was not illegal to make corporate donations to political parties; the practice has since been outlawed. But the court found that the size of the payments in this case, their dubious funneling through banks in Luxembourg and Switzerland, and the fact that they were

closely connected in time to the awarding of the contracts amounted to corruption.

The court's presiding judge, Marc Lahousse, said it was possible that before the awarding of the helicopter contract, Mr. Claes "gave his assent to his chief cabinet aide to accept the offer made by Augusta."

Mr. Claes said he would appeal the verdict to the European Court of human rights, since he has no further recourse in Belgium. The verdict was handed down by the Court of Cassation, which normally reviews the decisions of appeals courts, but is empowered to hear cases against acting or former government ministers.

## Branson's Balloon Clears Asia, Starting Pacific Trek

By T. R. Reid  
Washington Post Service

LONDON — Zooming eastward before the jet stream at almost 90 miles per hour, the three pilots of the huge balloon ICO Global left Asia behind Wednesday and set out across the Pacific Ocean on the sixth day of their race to circle the globe.

If the winds stay strong and their high-tech apparatus stays intact, the adventurers Richard Branson, Steve Fossett, and Per Lindstrand could complete the 5,000-mile crossing of the Pacific Ocean in time to reach the California coast by Christmas.

They are hoping to make the first nonstop round-the-world trip by balloon. All three have tried and failed before.

Mr. Fossett, an American millionaire, dumped into the Pacific last summer after traveling 13,000 miles. That distance, about half the circumference of the globe at the equator, marks the farthest a manned balloon has ever flown without putting down.

The current ICO Global flight has covered about half of Mr. Fossett's record distance since it took off from Morocco last Friday. If all goes well, it will break the distance record somewhere over the western United States, perhaps this weekend.

The extensive public relations operation supporting the flight at its headquarters here claimed two new records for ICO Global on Wednesday, however. It became the first manned balloon to cross the full breadth of the Himalayas, and the first to traverse the entire Asian land mass. Earlier round-the-world flights have flown south of the continent.

Mr. Branson, the British business tycoon who is a pop culture hero here — he has an image something like Bill Gates with a sense of humor — told the BBC

on Wednesday that the flight over the Earth's highest mountain range was "incredibly beautiful."

As the morning sun rose over the mountains ahead of him, Mr. Branson said, he could look out from the pressurized cabin and watch the iceicles melting off the balloon.

The ever-critical British press has labeled the venture "Branson's hot-air publicity machine" and has been taking daily pot shots since the trip. When flight headquarters reported on the second day that Mr. Branson was suffering from "dry lung syndrome," The Independent newspaper described this as "an illness similar to a sore throat except that it affects people in balloon with their own press officers."

The balloon trip is being sponsored primarily by Branson's Virgin Air Lines and by ICO, a global company that plans to start worldwide cellular phone service in the year 2000.

The basic plan is to fly around the world in 18 days or so. The flight plan calls for ICO Global to land somewhere in Britain in the first week of the new year.

Since Britain is east of Morocco, a landing here would mean a trip slightly longer than one circumference of the planet.

The balloon, designed by Mr. Lindstrand, a British pilot, employs a combination of two earlier ballooning technologies, helium and hot air. The main lift comes from helium, but there are also hot-air burners to offset the heating and cooling of the helium. That gives the pilots good control over their altitude without the use of ballast.

The ICO Global has been traveling about six miles above the earth, where it can catch the jet stream for the fastest possible eastward journey around the globe. The northern hemisphere route is only possible in the winter, when the jet stream winds are all pushing eastward.



# Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## Moving Toward Censure

The Senate seems inclined to treat Bill Clinton's misconduct in a fair and responsible way, provided the president will let it do so. Although Senate sentiment has not yet coalesced around a specific plan, both Republicans and Democrats are talking of censure as the most appropriate punishment. For the last couple of days Mr. Clinton and his aides have seemed in better touch with political reality. They can help keep the Senate on a conciliatory course by dispensing with the legal quibbling that has helped bring his presidency to the brink of destruction and by continuing to send receptive signals about censure.

Senator Robert Byrd, Democrat of West Virginia, the guardian of Senate constancy, removed a potential roadblock to censure this week by declaring that a full trial of the charges against Mr. Clinton need not be the only response to the two articles of impeachment approved by the House. That gives the Senate the latitude to consider a variety of options that would lead quickly to a strong censure resolution. Even if a trial must be opened to satisfy the constitution or Republican concerns about belittling the House, it could be terminated at any time by a simple majority vote.

But Mr. Clinton must recognize that even Senate Democrats who favor censure are dismayed by his conduct and fed up with his failure to square himself with the law. The surest way to assemble the 67 votes needed to convict and remove him from office is to

treat the Senate with contempt. White House aides who are so certain that the numbers can never turn against him need only recall their predictions after the November elections that the House would not vote to impeach.

The lawyers and political advisers who have so poorly served Mr. Clinton must give up the self-defeating idea that they can win this case through parliamentary maneuvering and legal pettifoggery. Senator John Breaux, Democrat of Louisiana, offered wise counsel when he urged the White House not to try to block Senate action by arguing that the impeachment vote of a lame duck House has no standing when the new Congress convenes in January.

Most importantly, Mr. Clinton must discard the empty assertion that he did not lie under oath before a federal grand jury. It seems all but inevitable that any censure resolution would condemn him for giving false testimony under oath. Such a resolution would also come with the expectation that he would publicly accept it. That, in turn, should be sufficient for Kenneth Starr to promise not to prosecute him when he leaves the White House.

For the first time in weeks, the political dynamic in Washington is moving toward censure. Even some House Republicans who voted for impeachment articles that explicitly call for his removal from office are belatedly embracing censure. With some help from Bill Clinton, it could happen soon.

—THE NEW YORK TIMES

## So, What About China?

So now we know the cost of speaking freely in China: 13 years behind bars. That is the sentence handed down after a sham trial to Xu Wenli, who tried to organize a Chinese Democratic Party. Fellow democrats Wang Youcai and Qin Yongmin were sentenced to 11 and 12 years, respectively. None was allowed to mount a defense.

In October, China's Communist rulers signed, to great self-congratulation and international acclaim, a treaty that recognizes freedom of speech and freedom of association as universal rights. Mr. Xu and his colleagues have now been sent back to the Chinese gulag for seeking to exercise them.

Mr. Xu, 55, spent 12 years in prison after supporting a fledgling democracy movement back in 1979. Most of those years were in solitary confinement for long stretches he was deprived of visits. Mr. Wang, 52, a former student leader in the democracy movement of 1989, spent most of 1991 in prison. Mr. Qin, 44, has served seven years in prison and three in labor camps for democracy activities. Yet all three, and many others, had the courage to continue speaking up for liberty.

The cynicism of China's dictators was only highlighted by their decision to release into exile, simultaneously

with their crackdown against these and other democrats, a labor activist named Liu Nianchun. Mr. Liu had spent the past three years undergoing "re-education through labor." His release is to be welcomed, although forced exile should not be equated with freedom. But his release should not distract attention from the dozens of arrests and imprisonments of recent months, nor from the thousands who remain in captivity for political or religious offenses.

We refer to Lin Hai, 30, arrested for furnishing e-mail addresses to an on-line pro-democracy magazine; Zhao Changfeng, 28, imprisoned for trying to run for a seat in his local legislature without the blessing of the Communist Party; Zhang Shuangang, arrested for trying to set up an association to protect workers; and more.

Long ago, the Clinton administration dropped any links between trade and human rights in its China policy. Then, just about one year ago, the administration and its allies in Europe shrunk even their efforts at public diplomacy, abandoning their campaign to draw attention to China's human rights record. The idea was that quiet diplomacy would work better than public condemnation. Now the results are in. How will the West respond?

—THE WASHINGTON POST

## Olympian Cheating

Few spectacles rival the Olympics for pomp and spectator interest. For some sports with few fans, the Olympics provide virtually the only major international exposure. Televised around the world, the Games can enhance the reputation of host cities.

The organization behind the spectacles is the International Olympic Committee, a self-perpetuating group of 114 men and women that in turn is dominated by an executive committee of 11 people. In practice the executive committee chooses new members of the IOC and runs the organization. The principal duty of the full membership is to pick host cities.

Now a member of the executive committee, Marc Hodler of Switzerland, has charged that there is widespread corruption in the choice of host cities. He said agents, one a member of the IOC, had promised to deliver blocs of IOC votes in return for favors from the aspiring cities. Most of the allegations are unproved, but organizers of the 2002 Winter Olympics in Salt Lake City admit that they set up a \$400,000 scholarship fund that benefited relatives of some IOC members, although they say it was a humanitarian gesture rather than bribery.

Juan Antonio Samaranch, IOC president since 1980, has proposed further concentrating power in the executive committee that he heads, by letting it instead of the full IOC membership

### Other Comment

**Malaysia Needs Rule of Law**

Democracy in East Asia will grow stronger as economies develop. But the public's attention now should be directed at one man's shocking inhumanity to another and at the need to respect the rule of law. Many will conclude that the brilliant record of an unusually gifted Malaysian prime minister has been indecisively blackened. How unnecessary. What a tragedy.

—David L. Hitchcock, in the Los Angeles Times.

## EDITORIALS/OPINION

# The Iraqis' Future Is an American Responsibility

By Jim Hoagland

WASHINGTON — Weeks of intelligence gathering will be needed to assess how the bombs and missiles of Operation Desert Fox have changed Iraq and the Middle East. But some of the changes that these attacks on Saddam Hussein's war machine bring are already clear.

Seventy hours of air attacks fix Washington with a heavy responsibility for the future of Iraq and its beleaguered people, in human and political terms. America has assumed a deeper obligation to help in Iraq's eventual reconstruction, and to take the actions that make reconstruction possible.

The Clinton administration until now has sought to avoid or minimize that commitment by staging hit-and-run pinpoint raids and then pronouncing Saddam defeated. Initial statements from the administration after the attacks were halted on Saturday indicate a welcome recognition that such detachment is no longer possible.

A Democratic and a Republican president have now each conducted warlike campaigns in Iraq that have inflicted unavoidable destruction on a

population held captive by a tyrannical psychopath. To turn away again and let the psychopath continue his depredations would be an unconscionable, bipartisan American failure.

Democrats have pleaded for six years that they inherited a mess in Iraq arising from President George Bush's original support for Saddam and his subsequent decision to walk away from the Iraqi uprisings that Operation Desert Storm provoked in 1991. But Iraq is no longer Mr. Bush's war alone.

For the first time since the Vietnam War, Democratic leaders in Congress last week demanded that their fellow support a president's war-making powers abroad without reservation. Not even a matter as grave as impeachment should be permitted to interfere with the commander in chief's ability to bomb and strafe as he saw fit, they argued. This is a stunning turnaround from the extreme ambivalence that the Democrats have shown about the use of force abroad since Vietnam

split their party, destroyed Lyndon Johnson's presidency and gave the Republicans an inside track to the White House for two decades.

The shadow of Vietnam seemed to still hang over the party leadership when Congress voted on Jan. 12, 1991, to support Desert Storm. Democrats in both the House and the Senate voted solidly against Mr. Bush's war plan. Among those voting "no" was Richard Gephardt, now House minority leader and chief organizer of the stirring flag-waving and oratorical support for America's valiant fighting forces heard on the House floor last week.

No one should believe that Mr. Gephardt and the others were waving the flag for tactical political advantage while combat operations were under way. They were clearly acting from the conviction that President Bill Clinton was fully justified in using force abroad, even absent a declaration of war from Congress or serious consultation with the congressional leadership. The Democrats were just as clearly setting a standard on war-making powers that they will no doubt apply to

all future presidents, Republican or Democrat, facing impeachment or not.

The Democrats on Capitol Hill now have a stake in and responsibility for the war against Saddam that they did not acknowledge before Desert Fox.

It has been Republican legislators who have forced legislation and hearings helpful to the Iraqi opposition fighting Saddam on an obstructionist White House, Pentagon and State Department. It was Senator Joe Biden and other Democrats who sought in August to ridicule and undermine Scott Ritter, the former UN arms inspector who helped embarrass the administration into finally striking Saddam with concentrated force this month.

Risking the lives of American military personnel abroad is too important to be a partisan matter. The fate of Iraq is also too important to be a matter of party divide. If Iraq is important enough to drop bombs on, it is important enough to merit the sustained attention and effort of the legislators who defended and cheered their president's decision to drop those bombs.

The Washington Post

# Netanyahu: A Chance Now for Israelis to Think Again

By Gideon Samet

TEL AVIV — An embattled, frustrated Knesset showed the door to Prime Minister Benjamin Netanyahu on Monday by dissolving itself. Never in the short annals of this country's governments has there been a regime so erratic.

Through 31 and a half months of meandering misrule, Mr. Netanyahu made practically all possible mistakes. He antagonized even most of his colleagues, and stuck himself (and Israeli diplomacy) in quite unspendable isolation.

Laundry lists of his errors and crises, refreshed by newspapers prior to the dissolution vote, filled long columns. Even the significant bang of the Wye agreement with the Palestinian Authority ended last week in a whimper of suspension.

Many Israelis found some attractive charm in Mr. Netanyahu's ability to get out of so many political entanglements. But the luster of his wizardry wore off as criticism mounted even among ardent supporters.

One of them said recently that Bibi is Houdini in reverse. The proverbial escape artist defied all chains. Mr. Netanyahu chained himself inextricably with his own flaws.

Dazed Israeli onlookers be-

ward a major political change. But winds of disenchantment have been blowing in the face of a deeply disappointing leader.

A new centrist party hopes to tap the support of many right-wing sympathizers who can't take Mr. Netanyahu anymore. For others, less committed, a new popular slogan says "Anyone but Bibi."

The big majority for early elections was unexpected. The body politic under the heavy burden of Mr. Netanyahu has become so fragmented, so lacking in clear purpose that the urge to turn a new leaf overrode the political instinct of self-preservation.

That ugly, pathetic ending of Mr. Netanyahu's term is not only a deserved punishment. It is also a pity. The first "sabab" or native Israeli, prime minister born after the state's inception has proved a failure.

In a deep sense, his well-earned demise says something alarming about the Israeli majority that cheered him into office just a couple of years ago. Now it has a chance to make amends.

The writer, a columnist and member of the editorial board of the daily Ha'aretz, contributed this comment to the International Herald Tribune.

# Clinton: A Casualty in America's Harsh Cultural War

By William Pfaff

PARIS — Washington cannot be a happy city this Christmas. Impeachment of the president coincided with a long sought but ill-considered intervention in Iraq that only alienated allies, humiliated the United Nations and its American-nominated secretary general, and strengthened a despot's hold over his country.

The Washington political climate is harsh, the moral and intellectual level of debate in the Congress, the White House and much of the press is generally acknowledged as at its modern nadir. The functioning of American democracy disquiets patriots, to employ a word whose very un-fashionableness is revealing.

However, all this is not unprecedented. There was Richard Nixon's resignation under the threat of impeachment, 24 years ago, bitterly controversial, while the war in Vietnam still went on. There was Andrew Johnson, the 17th president, who was impeached but

not convicted in circumstances of furious ideological and partisan vituperation.

A tailor without formal education, taught to write by his wife, Johnson was a leader of Tennessee smallholders and artisans who became governor of his state and eventually U.S. senator. Before the Civil War, he voted with other Southerners on the issues of slavery and secession. When Tennessee seceded from the Union in 1861 he remained in Washington, the only Southerner in the Senate, and although he was a Democrat he supported Lincoln. For the 1864 election he was made Lincoln's vice presidential candidate.

As president, after Lincoln's assassination, his conflict with the radical wing ("Jacobin," as the Southern historian Shelby Foote says) of the Republican congressional majority resulted from his attempt to apply Lincoln's lenient policy of reconciling the defeated Southern

states to bring them back "to their proper practical relation with the Union."

The radicals wanted humiliation of the South, but they also grasped that a white majority was not ready to accept the implications of the emancipation of the slaves. (After Reconstruction ended, the South did impose a form of peonage on former slaves, together with the legal and social discrimination which became known as "Jim Crow.")

Johnson tried to veto the first Republican bill extending civil rights to former slaves, and resisted legislation disenfranchising former Confederate leaders and disqualifying them from public office. That launched the struggle which led to impeachment.

The House of Representatives voted the president's impeachment in February 1868, after two days of furious debate. Three thousand people crowded

into the Capitol to watch and listen, while thousands of others milled about outside, telegrams being read from groups across the country demanding impeachment or acquittal.

Charged with "usurpation of power," among other high crimes, Johnson was acquitted by one vote in the Senate. His impeachment nonetheless was a shock, and the following year the Republican Ulysses S. Grant took his place — a great general and a disastrous president.

The passion, partisanship, vulgarity and ignorance of Washington today are no worse than they were then. There is, however, a difference. The Johnson and Nixon cases concerned events of great moment to the nation.

The effects of the radical Republicans' vindictive Reconstruction policy were felt in the South until the 1930s. The rights of black American citizens were not fully assured, even in law, until the 1960s.

# Look How This Popular President Was Trapped

By Anthony Lewis

BOSTON — Should Linda Tripp, Lucianne Goldberg and Kenneth Starr decide who is to be president of the United States? When you analyze the principal argument made for the impeachment of President Bill Clinton, you are brought inevitably to that question.

Perjury was the House Republican mantra, the argument pressed by the hard right to bring moderates to heel. In the debate, one Republican after another said he or she had to vote to impeach Mr. Clinton because he lied under oath. But that proposition overlooks what the trio did.

The president tried to keep his sexual indiscretions secret. That was neither surprising nor ignoble. Henry Hyde and Robert Livingston did the same, and so have done since the Creation.

But Monica Lewinsky told Mrs. Tripp, a former White House employee who had been trying for years to harm Mr. Clinton. At the urging of Ms. Goldberg, a right-wing literary agent, Mrs. Tripp taped her telephone conversations with Mr. Lewinsky. She told Paula

Jones's lawyers and Mr. Starr about the tapes.

The resulting trap was sprung on the president at his deposition in the Jones case. That was the fount of his troubles. So it is vital to understand how his testimony has effectively been judged.

He denied, famously, having had "sexual relations" with Ms. Lewinsky. The definition of that was so obscure that no jury was likely to convict him of perjury in his denial. And the House of Representatives evidently took the same view. It rejected the article of impeachment charging him with perjury in the deposition.

Mr. Starr had another string for his bow. He called the president before a grand jury, where Mr. Clinton was asked about his statements in the Jones deposition. Then Mr. Starr charged that his answers were false. Again, I doubt that a jury would have convicted him of perjury.

Millions of Americans saw the videotape of his grand jury appearance and most sympathized with him — indeed, were

outraged at what he was put through. But House Republicans said the president's answers to the Starr prosecutors were perjurious. That is, answers that the House found were not perjurious at the original proceeding became high crimes when the same answers were given again.

No other American would have had to undergo that second turn of the screw. Targets of prosecutors customarily invoke the Fifth Amendment; Justice Department rules discourage calling them before grand juries. But Mr. Starr, determined to get something on Mr. Clinton after four years of fruitless investigation, guessed correctly that for political reasons he would not refuse to testify.

In truth, many House Republicans who cited perjury as their ground for impeachment had deeper reasons. They do not like this president. An unmistakable venom ran through the whole process.

An astute foreign eye saw it clearly. Philip Stevens of the Financial Times wrote: "This was not about the sacred constitution of the United States. It wasn't even honest politics. The impeachment of Bill Clinton was personal. It was an act of vengeance."

Conservatives have hated Bill Clinton since the day he took office. Some conservative commentators, broadcast and print, seem obsessed by the man. Robert Livingston, before he gave up the prospect of the speaker's job, showed his distorting animus when he said: "Richard Nixon's crime was covering up a crime he did not commit. Clinton is covering up a crime he did commit."

There are reasons for politicians, Democratic and Repub-

lican, to distrust Bill Clinton. He has not played straight with many of them. And the public has reason to have been offended at his false assurance that he had not had sexual relations with that woman. But those are not grounds for impeachment, or resignation, unless Americans are going to make the impeachment process a vote of no confidence and move toward a parliamentary system of government.

In the end, I do not believe that the Senate or the public will want to reward hatred. I do not believe that they will want Americans' political fate to be decided by Linda Tripp, Lucianne Goldberg and Kenneth Starr.

The New York Times

## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1898: Afghan Uprising

ST. PETERSBURG — Reports of a disquieting character have reached this city from the Russo-Afghan frontier. The Mohammedan priests are busy agitating among the lower orders, and people acquainted with Oriental ways declare that the preparations seem to point to a serious struggle on behalf of Islamism. The Russian authorities in the Tsar's Central Asiatic dominions have intercepted a correspondence that appears to indicate that there is a plan among the Moslems to shake off the Christian yoke.

### 1948: Carols in Jail

BERLIN — Seven of the most closely-guarded men in the world will break their silence tomorrow [Dec. 24] to join each other in singing Christmas carols. "Peace on earth, good will to men" might not mean much to them, but for Rudolf Heiss and the six other top Nazis sentenced to prison by Nuremberg's War Crimes Tribunal, it will be a novelty to hear each other's voices. At Spandau prison, where they are confined under supervision, silence is enforced except when Allied wardens specifically allow them to talk.

### 1923: Religious Truce

NEW YORK — The Episcopal clergymen in New York have generally respected the request of Bishop Manning for a Christmas truce in the fight between the fundamentalists and modernists. But Dr. Leighton

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U.K. Advertising Office: 63 Long Acre, London WC2E 9LT. Tel: (44) 20 7460-4602. Fax: (44) 20 7460-2254.  
S.A.S. au capital de 1.200.000 F. RCS Nanterre B 733021726. Comptes Français No. 61337  
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OPINION/LETTERS

# Improved Labor Practices Must Be the Bottom Line

By Heather Hiam-White

AMHERST, Massachusetts — Shoppers have reason to be confused this holiday season. The growing awareness of sweatshops and child labor has heightened concerns about how the goods we buy are manufactured. What is lacking now are clear guidelines to help consumers make informed decisions about their purchases.

The goods available today in U.S. stores are often made somewhere other than in the United States. But while the label may say "Made in China" — or the Philippines or India — the route that a particular shirt, jacket, or child's toy, or even a pair of shoes, takes on its way to the racks and shelves of U.S. retailers is often complicated.

Most major manufacturers now use hundreds of suppliers and vendors — so many, in fact, that companies themselves often have little or no knowledge of the exact course of their supply chains.

Hoping to become long-term suppliers to a big American corporation, foreign manufacturers are often willing to accept deals that foster the abuse of their employees. In many producing countries, wages are set to help local factories attract foreign investment rather than to provide a living wage for workers, the majority of whom are women and young girls.

The process begins when the U.S. buyer meets with a broker and signs a purchase order set at a particular price. The broker then finds intermediaries, who set out in search of a factory that will meet the contracted price. So most buyers for U.S. companies will not even have visited an overseas factory before placing an order.

To further complicate matters, add to this the phenomenon known as "triangle manufacturing." Contractors in economies that expanded rapidly, such as Hong Kong, Taiwan, Singapore and South Korea, shift their most labor-intensive production into even lower-wage nations such as the Philippines, Malaysia, Indonesia, Vietnam and China as well as countries in Central America, the Caribbean and Eastern Europe.

Although some companies claim to care about the conditions of their workers, most do not do much to follow through. "The companies say to the contractor, 'Please allow for freedom of

association, pay a decent wage.' But then they say, 'We will pay you 87 cents to produce each shirt.' This includes the wage, fabric, everything," said Neil Kearney of the Belgium-based International Textiles, Garment and Leather Workers' Federation.

Sparked in part by increased public concern, a growing number of companies have begun looking more carefully at their production operations. Today, monitoring labor conditions has moved from the "public relations" realm to the bottom line.

What we have learned at Verite, an organization that investigates manufacturing practices overseas, is that effective monitoring takes much more than a perfunctory tour of the factory floor. We have to engage the help of local advocates and non-governmental organizations that have gained the trust of workers who might otherwise be wary of losing their jobs by sharing information with outsiders from the United States.

We have developed a network that has now conducted inspections in 30 countries. These factory inspections have demonstrated that 80 percent of factories that claim to abide by their U.S. clients' codes of conduct do not.

Major problems — compulsory overtime, workers being locked inside factories, physical abuse and working several hours a day unpaid — are difficult to identify and correct. Bringing about change involves scrutiny, factory by factory, listening to workers and maintaining a presence to ensure that the improvements they need are actually made.

For monitoring efforts to bring about real change, we must develop much stronger criteria for how private monitoring firms conduct their investigations. All too often these firms are branches of the manufacturers' accounting firm and have no training in investigation of work practices.

Consumers must keep up the call to action, but it is only the companies that can make exploitative labor practices truly a thing of the past — one factory at a time.

The writer is executive director of Verite, a nonprofit organization based in Amherst, Massachusetts. She contributed this comment to *The Washington Post*.

# Spending on Luxury Toys Has Gone Over the Top

By Robert H. Frank

ITHACA, New York — So, what are people with real money buying for their 10-year-olds this Christmas? Put this question to a "personal shopper" at the F.A.O. Schwarz toy store and she will promptly escort you to a glass-walled inner sanctum on the second floor. There, on display or in a limited-edition catalogue, you will see life-size reproductions of Darth

Vader and other "Star Wars" characters for \$5,000 and up, a castle bed with loft for \$30,000 and a hand-carved carousel from Germany for \$75,000.

But by far the hottest item this season is a Range Rover a quarter the size of the real thing. With leather upholstery and an AM-FM cassette stereo, it has a 5-horsepower gasoline engine and has a top speed of 20 miles (32 kilometers) per hour.

They are selling fast, but you can still take immediate delivery for \$18,500 — slightly more than the sticker price of a Honda Accord.

Value-conscious shoppers might find that a bit much to pay for a toy car with a lawn mower engine. But they would be missing the point.

Over-the-top spending for kids is not new. But the most expensive gifts for children now have much higher price tags than they used to, which is also true of the gifts exchanged by



By KAL in The Sun (Baltimore), LAW Spindler

their upmarket parents. When a recent Neiman Marcus Christmas catalogue offered the new Jaguar convertible at \$80,000, the entire 70-vehicle inventory was snapped up within hours.

America's new luxury fever is driven by a sharply increased concentration of income and wealth. By one measure, the top 1 percent of earners have captured almost 80 percent of all earnings growth since 1979.

If trends continue as expected and are reinforced by enactment of flat-tax proposals that would cut rates on top earners by half, the hottest selling toy car will soon be not the Junior Rover, but F.A.O. Schwarz's miniature Ferrari, which currently sells for \$40,000.

Obviously, adults have the right to spend their incomes however they please. Yet few would insist that these purchases constitute the most fruitful use of this money. Indeed, persuasive scientific evidence suggests that when everyone gets more expensive and elaborate toys, no one is any happier than before.

So why do parents buy such things? The problem is that gift giving is like an arms race: Spending less would be better, but only if everybody did it.

The moral outrage of social critics will not make that happen. But a one-line amendment to the U.S. federal tax code could.

Switching from the current progressive income tax to a more steeply progressive consumption

tax would provide powerful incentives to save and invest money that would otherwise be spent on high-end toys.

Such a tax would be easy to administer. A family would pay tax on its total consumption, defined simply as the difference between what it earned and what it saved. The tax rate on the highest spenders would have to be higher than it is now, to allow for the fact that the rich save much more than others. Every-

one's tax burden would be roughly the same as before. But each family's incentive to buy high-end toys would be changed profoundly. If the additional consumption of top spenders were taxed at a rate of, say, 70 percent, the junior Rover's effective price would jump al-

most \$13,000. This change would lead many to choose less expensive toys and shelter the savings in tax-free mutual funds.

The standard that defines an acceptable toy would shift. Before long, less expensive toys would acquire the same cachet as the more expensive models they had displaced.

This pattern would be repeated all the way down the income ladder, a welcome development at a time when 1 in 70 American families files for bankruptcy each year. Best of all, it would exact no price in enjoyment, since what counts is not absolute spending on toys, but relative spending.

Of course, a steeply progressive consumption tax would also affect other purchase decisions, possibly leading to similar

savings in other income classes. Once Americans' savings rates got healthier, we might even consider — dare I say it — a slight increase in total tax revenue for things that really matter. Just a few painless retrenchments would repair the leaky roofs and broken toilets in the overcrowded, understaffed elementary schools five miles north of the F.A.O. Schwarz showroom.

Not to worry, though, Trummy. None of this will happen any time soon.

The writer, professor of economics at Cornell University, is author of the forthcoming "Luxury Fever" and co-author of "The Winner-Take-All Society." He contributed this comment to *The New York Times*.

## LETTERS TO THE EDITOR

### Seeking Justice for Lockerbie

Regarding "10 Years After, Remembrance at Lockerbie" (Dec. 22):

As originator of the annual United Nations commemoration of the bombing of Pan Am Flight 103, I was moved to read the remarks made by the Reverend Pat Keegan in Lockerbie, Scotland. "There is another bomb ticking — the irresistible bomb of justice and truth," he said.

His words were in striking contrast to those of his government in London and of mine in Washington, which agreed months ago to the indicted Libyan terrorists' choice

of venue for a trial. That set a dangerous precedent, and there is still no trial to show for those concessions.

HARRIS O. SCHOENBERG,  
New York

The writer is director of UN affairs at B'nai B'rith International.

### On Operation Desert Fox

Along with setting back U.S.-Russian relations 15 years, the strikes against Iraq have done much to undermine respect for the United Nations as a democratic world

institution. Corollary to this, and just as regrettable, is the further deterioration of America's reputation as a superpower whose values include civility and a respect for international law.

B. HORACKOVA,  
Pardubice, Czech Republic

Regarding "Outfoxed: The Generals Forget About Rommel" (Dec. 21):

The report quotes Marc Schneier, president of the New York Board of Rabbis, referring to Erwin Rommel as a Nazi officer. But not all of the German Army officers who fought in World War II were

members of the Nazi party. Among those who were not was Field Marshal Rommel.

PETER LOMAX,  
Valbonne, France

Regarding the designation Desert Fox, I think the computer at MacDill Air Force Base in Florida could have come up with a more appropriate name, such as Desert Fury or Desert Fiail. But after the operation has been strategically analyzed, other names may be more apt: Desert Folly, Desert Farce, Desert Fiasco or Desert Flop.

PETER B. MARTIN,  
Montcuq, France

## BOOKS

### THE GREATEST GENERATION

By Tom Brokaw. Illustrated. 390 pages. \$24.95. Random House.

Reviewed by Christopher Lehmann-Haupt

UP to a point, you can sympathize with what Tom Brokaw is saying in "The Greatest Generation": that the American men and women who were born around 1920, who came of age in the Great Depression, who fought in World War II and who rebuilt the postwar world, and passed the results on to succeeding generations, were extraordinary.

"It is a generation," Brokaw writes, "that, by and large, made no demands of home from those who followed and prospered economically, politically and culturally because of its sacrifices." He continues: "It is a generation of towering achievement and modest demeanor, a legacy of their formative years when they were participants in and witnesses to sacrifices of the highest order."

It is a generation, he argues, that makes you think of all those words that Hemingway once said you couldn't use anymore: duty, honor, country, flag, family, church, faith, loyalty, self-sacrifice, purpose, modesty, responsibility.

Sure, the generation made mistakes. Brokaw admits: racism, sex discrimination, anti-communist hysteria. Vietnam.

Or as he puts it, somewhat cloudily: "They allowed McCarthyism and racism to go unchallenged for too long. Women of the World War II generation, who had demonstrated so convincingly that they had so much more to offer beyond their traditional work, were the underpinning for the liberation of their gender, even as many of their husbands resisted the idea."

When a new war broke out, many of the veterans initially failed to recognize the difference between their war and the one in Vietnam.

Still, he concludes, "This is the greatest generation any society has produced."

Brokaw's motives in writing the book seem heartfelt. Walking the beaches in Normandy in 1984 with American veterans while preparing an NBC television documentary on the 40th anniversary of D-Day, he "underwent a life-changing experience," he reports.

"I was deeply moved and profoundly grateful for all they had done. I realized that they had been all around me as I was growing up and that I had failed to appreciate what they had been through and what they had accomplished." So his book is a tribute to his parents and their friends, as well as to their country.

And the stories he tells of them are diverting enough, occasionally even inspiring. Chronicling some 50 lives, he offers examples of the many virtues he is celebrating: people who distinguished themselves both in battle and on the home front, men who built careers despite being disabled by the war, women who overcame the obstacles that were stacked against them, minorities who used adversity to improve their people's lives.

Some are individuals whom Brokaw met while researching D-Day. Others he came to know while growing up in South Dakota. Some are obscure and consider their achievements ordinary. Others were vaulted to fame by their wartime experiences.

All stand as a rebuke to certain excesses in the contemporary culture: the desire to place one's own interests first, the habit of regarding the truth as the most recent words to pass one's teeth, the refusal to take responsibility for one's behavior, the tendency to view the births of one's children as random events to which one has little connection, the inclination to measure one's worth by how much money one has.

But enough is as good as a feast, and

what Brokaw offers here is far more than enough. Three stories would suffice to make his point: 50 are a surfeit causing the eyes to glaze over, especially when they repeat one another's point and lack sharp individual focus.

Nor are they particularly well told, rambling as they are and replete with clichés. (The three times the word "seminal" is used, it refers to a woman's work, as in "Betty Friedan's seminal book on the place of modern women, 'The Feminine Mystique.'") Such is the predictability of Brokaw's prose that you can read every fourth sentence of it and get the idea.

This is too bad, because the question of why patriotism waxes and wanes during a nation's history is a significant one worth deeper exploration than Brokaw has given it.

Among the many people he talked with, only Andy Rooney, commentator for "60 Minutes," challenged his thesis that the generation in question was a superior one, arguing, as Brokaw puts it, that "the character of the current generation is just as strong. It's just that his generation had a Depression, World War II and a Cold War against which to test their character."

The story that "The Greatest Generation" tells too repeatedly makes you suspect that Rooney is right: First came the challenges, then the heroic responses. Equally, you suspect that somewhere in the United States today are people facing challenges nearly as daunting as Brokaw's wartime generation did — challenges of poverty, of prejudice, of cultural displacement — and facing them as heroically as Brokaw's subjects did.

They may not represent an entire generation, but they will be heard from somewhere down the road. Dare one hope in these fickle times that they may someday be in charge of the show?

New York Times Service

## BRIDGE

By Alan Truscott

MORE than one-third of experts around the world use strong club systems, and in some countries the percentage is much higher. Hands with 17 or more high-card points, or in some cases 16, open artificially with one club. All or nearly all other openings show weaker hands, usually in the 11-16 range. Two clubs is used for hands with a long club suit.

Most such systems fall into two groups. In North America, it is normal to use natural responses to one club, but the Europeans favor artificial responses, usually showing controls in some fashion. A lively new book by two North

American player-theorists suggests a European style with a Mexican flavor. It is "Godfrey's Stairway to the Stars" by George Rosenkranz and Phillip Alder, available from The Bridge World for \$13.90.

The diagrammed deal from the book illustrates the two-club opening bid, showing at least a six-card suit with 11-16 points. South now has far more information than he would have after a standard one-club opening and has a better chance to make accurate decisions after interference by the opposition.

In this case, South lands in six spades and two rounds of diamonds are led. After ruffing he must plan carefully and give himself more than one

chance. It seems normal to play for an immediate heart ruff, and that succeeds. But it is the wrong play, as the authors point out.

To avoid having all the eggs in the heart basket, South should cross to the spade queen at the third trick and ruff a low club with a medium trump. Then he should lead to the spade ace. If the trumps are divided evenly, he can try to establish clubs with hearts to fall back on.

When the spades prove to be divided 3-1, he gives up on clubs. Instead he leads to the heart one and ruffs a heart. Then he can safely play clubs, expecting to overruff East at some point. When this happens he can hope that the

NORTH (O)			
♠ A Q 5			
♥ 7			
♦ 8 3			
♣ A K 10 8 7 5 3			
WEST			
♠ 4			
♥ Q 4 2			
♦ 10 9 6 5			
♣ A Q J 8 6 2			
SOUTH			
♠ K 9 8 7 3 2			
♥ A K J 9 8 3			
♦ 4			
♣ —			

Neither side was vulnerable. The bidding: North: 1♣, 2♥, 3♠, 4♣, 5♣, 6♣, 7♣, 8♣, 9♣, 10♣, 11♣, 12♣, 13♣, 14♣, 15♣, 16♣, 17♣, 18♣, 19♣, 20♣, 21♣, 22♣, 23♣, 24♣, 25♣, 26♣, 27♣, 28♣, 29♣, 30♣, 31♣, 32♣, 33♣, 34♣, 35♣, 36♣, 37♣, 38♣, 39♣, 40♣, 41♣, 42♣, 43♣, 44♣, 45♣, 46♣, 47♣, 48♣, 49♣, 50♣, 51♣, 52♣, 53♣, 54♣, 55♣, 56♣, 57♣, 58♣, 59♣, 60♣, 61♣, 62♣, 63♣, 64♣, 65♣, 66♣, 67♣, 68♣, 69♣, 70♣, 71♣, 72♣, 73♣, 74♣, 75♣, 76♣, 77♣, 78♣, 79♣, 80♣, 81♣, 82♣, 83♣, 84♣, 85♣, 86♣, 87♣, 88♣, 89♣, 90♣, 91♣, 92♣, 93♣, 94♣, 95♣, 96♣, 97♣, 98♣, 99♣, 100♣.

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## TribTech

## A Dutch Internet Service Provider Strives to Be Europe's Leader

By Bruno Giussani  
New York Times Service

GENEVA — Until a few months ago, almost no one outside the Netherlands had ever heard of World Online.

The company claims 150,000 paid subscribers and 150,000 additional users of its free e-mail service. In addition, it operates a popular "portal" Web site ([www.worldonline.com](http://www.worldonline.com)), in Dutch only. All this makes World Online the leading Internet service provider, or ISP, in the Netherlands, but it is hardly enough to qualify it as a major European player.

Yet in October, the Switzerland-based Sandoz-Family Foundation announced that it was investing \$300 million to acquire a majority stake in World Online and inject fresh cash in its international expansion — most probably the largest amount ever paid for an Internet company in Europe.

Since then, the company and its ambition of "eclipsing AOL as Europe's largest content-based Internet company" have attracted serious attention and generated some concerns among local and national internet service providers.

"No one except AOL today is looking at Europe as a single market for providing Internet services and content. They are all looking at pieces," Michael Schulhof, a former president and chief executive of Sony North America and

currently chairman of World Online International, said.

"There is a vacuum there, and it is a good opportunity," he added.

World Online is not waiting for these words to collect dust. It started by opening a subsidiary in Belgium a few weeks ago. It then signed a partnership deal with Bouygues Telecom (which operates a cellular telephone network in France and is part of a group with major interests in television, including TF1 and Eurosport) to enter the French market, took over PingNet of Switzerland and ReadySoft of Spain.

Next in line for an acquisition or a partnership, according to Rob van der Linden, the company's spokesman, are Denmark, Germany, Italy and Austria.

"We want to become the largest pan-European Internet company," Mr. van der Linden said.

World Online's declared objective: 8 million subscribers by the year 2002, or about one-fifth of the projected total European Internet user base at that time.

With headquarters in Vianen, a small city about an hour's drive south of Amsterdam, World Online was originally a joint venture of the Dutch railroad company, an industrial group and a broadcaster. The chief executive is Nina Brink, the ambitious and demanding former head of a Dutch computer supplies company.

The company has been very aggressive in the Netherlands. Critics have re-

peatedly pointed out its concentration on expansion rather than quality of service, and earlier this year the company had some serious security problems when hackers gained access to internal files.

"When we entered the market two years ago, it was already overcrowded," Mr. Schulhof explained. "Now we are No. 1, and we are profitable."

World Online's ventures in other European countries will replicate the same "portal" model and tools, combined with strongly marketed and branded mass-public access services. However, content "will be local, produced by local teams," the company's director, Eric Tolmsa, said.

"Internet access is moving into the commodity sphere," Mr. Tolmsa explained. "But there is a very good reason to keep offering access: This creates a more natural and less volatile relation to people."

At least officially, AOL-Bertelsmann Europe does not seem concerned about the new competitor. A joint venture established in 1995 between America Online Inc. and the German media conglomerate Bertelsmann AG, it is currently the largest pan-European on-line service, with 2.3 million users — including the subscribers to CompuServe, which AOL acquired last February.

The largest on-line service in Europe is currently T-Online, which has 2.5 million subscribers. Owned by Deutsche Telekom AG, it only covers Germany.

"If you are asking me whether I believe that somebody can do what we have done in the same time frame, my answer is: I doubt it," Christof Ehrhart, an AOL-Bertelsmann spokesman, said. "It needs quite a lot of know-how in customer care, content development, and business and advertisement partnerships."

"We are kind of calm," he added.

A publicity-shy organization, the Sandoz-Family Foundation has multi-billion-dollar interests in the pharmaceutical industry, and has been diversifying into information technology recently. It has a controlling stake in Interoute, a fast-growing telecom carrier that covers several European countries and whose network will be used by World Online.

"Within a couple of years, half of today's ISPs will have disappeared by mergers and takeovers," explained Victor Bischoff, a member of the foundation's executive board.

"We believe in the convergence of telecom and Internet, and want to create a strong and coherent group of players able to offer competitive and flexible products and contents," he said.



Michael Schulhof, right, chairman of World Online International, speaking of Europe: "There is a vacuum there." Above, the World Online Web site.



Michael Schulhof/The Associated Press

## TECHNOLOGY INDEX

Technology stock indexes around the world:

	Tuesday close	Pct. change previous week	Pct. change, year to date
North America			
Pacific Exchange Tech	436.15		+50.11
S&P Tech Composite	1152.19		+64.61
Europe			
Morgan Stanley Eurotec	596.99		+54.98
Asia			
Topix Electric	1530.26		-6.93

Source: Morgan Stanley, Bloomberg News

For technology articles from the past week, see TribTech on the IHT's World Wide Web site at <http://www.ihl.com>. Articles include:

- Tel-Com Shares: From Chills to Shock, Dec. 17
- Dutch High-Tech Stocks Gear Up for IPOs, Dec. 17
- U.S. Holiday Shoppers Log On, Dec. 18
- Allied to Buy a Nebraska Phone Firm, Dec. 19-20
- The "Portal" War Rages on the Internet, Dec. 21
- The Cyber-Christmas Spirit Left Out the Real Thing, Dec. 23
- GEC Splits Off Its Electronic Business, Dec. 23

To reach TribTech editors or to comment on IHT tech coverage, send e-mail to [tribtech@ihl.com](mailto:tribtech@ihl.com). International Herald Tribune

## ALT / Commentary

## On-Line Censors Stepping Up Activity

Rights Group Sounds Alarm but Cites Internet's 'Resilient Powers'

By Pamela Mendels  
New York Times Service

NEW YORK — Fifty years after the United Nations General Assembly adopted the Universal Declaration of Human Rights, with its guarantee of free expression for all, the world's newest form of mass communication is under attack around the globe from laws, policies and police actions seeking to restrict content.

That is the bad news in a new report called "Freedom of Expression on the Internet," released this month by Human Rights Watch as part of the organization's annual chronicle of rights abuses around the world.

But the report's author and other free-speech advocates say there is some good news as well: The Internet is, so far, irrepressible.

The year that is about to end can be characterized as a time of "increasing censorship regulation — and going beyond regulation to prosecution," said Jagdish Parikh, on-line research associate for Human Rights Watch and author of the Internet section of the report.

On the other side of the balance sheet, he said in an interview, is that "the medium itself has resilient powers."

Mr. Parikh said that countries with a history of limiting free expression, such as China and Singapore, are seeking to extend their controls to cyberspace. Meanwhile, countries with more democratic traditions, such as the United States and members of the European Union, are considering policies that, in an effort to control problems like racism and pornography, could end up restricting legitimate expression on the global network.

One recent and widely publicized Internet censorship case involved the arrest and trial in China of a software company owner, Lin Hai, on charges of subversion after he gave a list of e-mail addresses to an on-line democracy magazine. But the report says that China is not the only country where people have faced police or court action because of their Internet use.

Six months ago in Turkey, for example, a teenager received a suspended jail sentence for making comments critical of police in an on-line forum, according to the report. And in Malaysia in August, three people were arrested on charges that they had spread false rumors in an Internet news group.

A SPOKESMAN for the Turkish Embassy in Washington said he was unaware of the case in Turkey and could not, therefore, comment on it. A source at the Malaysian Embassy confirmed the arrests, and said they were justified because the rumors regarded the possibility of rioting by illegal immigrants and could have heightened racial tensions in the multicultural nation.

Advocates of free expression on the Internet say they are concerned about developments in Western countries, too. In Canada, according to Richard Rosenberg, vice president of Electronic Frontier Canada, the government is considering extending national restrictions on hate speech to the Internet.

And the European Union is examining proposals that would require Internet service providers to block "harmful speech," for example, on sites promoting racism, or hold sites accountable by law when they make such information

available, said Barry Steinhardt, one of the founders of the Global Internet Liberty Campaign, an international organization pressing for free speech rights in cyberspace.

Free-speech advocates oppose such proposals. For one thing, they believe objectionable ideas are best stymied by an intelligent response, not repression.

"The way you deal with speech like this is to answer it," said Mr. Rosenberg, a professor of computer science at the University of British Columbia, referring to sites that question the existence of the Holocaust. Such sites are one of the chief targets of would-be Internet content regulators. "You force the people who hold these views to defend them," he said.

Advocates of free expression worldwide also worry about how well software filters, the main method used to block access to objectionable content, are able to distinguish between unacceptable and legitimate material.

Yaman Akdeniz, director of the British group Cyber-Rights & Cyber-Liberties, said he was aware of at least one filtering system that blocked access to the group's own Web site, apparently because the words "pornography" and "child pornography" are often used in discussions of on-line policy issues.

"Whether this is done deliberately or not, I see this as censorship of political speech," he said in an e-mail message.

If laws force Internet service providers to begin deciding what is legal content and what is illegal, the result will be a deep freeze on free speech in Europe, some on-line activists there say. The service provider "risks search and seizure of his machines," said Rigo Wenning, a founder of the German Internet free-speech group FITUG.

"That would deliver him directly to bankruptcy," the free-speech advocate said via e-mail. "So what he does is, he removes all content that has the slightest doubt of being legal. Any critique, thus, would be suppressed automatically."

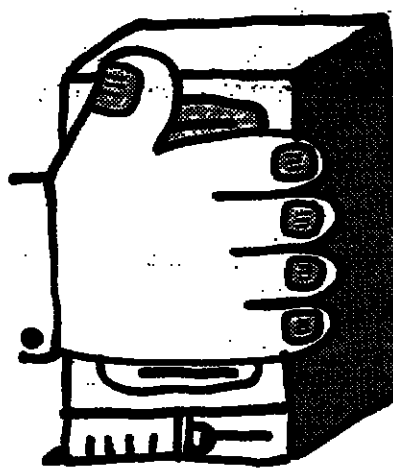
IN A RELATED issue, Internet free-speech advocates say they are also alarmed at the spread of software filters in public settings, such as schools and libraries, in the United States. Mr. Parikh fears that this gives countries with less democratic traditions a handy justification for state Internet censorship. "If you can use filters at libraries, why not at the national level?" he asked.

At the same time, Mr. Parikh says he is hopeful that attempts to rein in on-line speech worldwide will fail because savvy users can find technological detours around filters, and the sheer volume of information on the network could ultimately inundate the most diligent corps of censors.

In addition, many people are now awakening to the important information available to them on the Web and will somehow seek it out, he said.

As evidence, Mr. Parikh pointed to a recent huge surge in visitors to the Human Rights Watch Web site from Malaysians who apparently were seeking an alternative source of information about the authoritarian leadership in their country.

"People realize this is a tool not just for techno-geeks anymore," Mr. Parikh said. Pamela Mendels covers civil rights issues for CyberTimes on The New York Times's Internet site.



Shawn Cohenberg/IHT

## VERY BRIEFLY

**SPACE, THE FINAL FRONTIER:** The space shuttle Endeavour finished a 12-day mission Dec. 15 that was the first on which crew members could routinely send and receive e-mail, using notebook computers and "smart modems" developed by NASA engineers to overcome problems in data communications from space.

The five astronauts and one cosmonaut could send e-mail to colleagues and family much as they would on Earth. The 620 messages they sent were mostly personal, dealing with Christmas preparations and the like, says John Grunsfeld, chief of NASA's astronaut computer branch. Many messages were sent up as well. In one, a crew member, James Newman, received snapshots of his wife and two young children from Mr. Grunsfeld. The software technology is largely supplied by Microsoft Corp. (NYT)

**SEASON'S GREETINGS, MICROSOFT:** A Colorado Internet greeting card company won the first round in

its lawsuit against Microsoft Corp. when a California state court ruled the software giant must stop filtering out messages sent by clients of Blue Mountain Arts.

In a suit filed earlier this month, Blue Mountain claimed a new version of Microsoft's Internet Explorer browser comes with an e-mail product containing a filter that automatically places Blue Mountain greeting cards into a junk-mail folder designed for immediate discard.

On Monday, a court in Santa Clara County, California, granted a temporary restraining order that forces Microsoft to provide Blue Mountain with information allowing it to design its greeting cards so that they get through and are not placed in the junk-mail folder. (AP)

**LOW INTERNET USE IN FRANCE:** French people are increasingly buying computers with CD-ROM players to play games and consult reference titles while the use of the Internet remains low, according to a survey.

The study, commissioned by the retailer FNAC, the educational TV chan-

nel La Cinquieme and Publimetrie, a market-research institute, shows that 26 percent of homes are now equipped with multimedia computers, but Internet use remains low with just 4 percent of homes connected.

Nevertheless, 18 percent of households with a personal computer also have Internet access. (Reuters)

**ALCATEL TACKLES THE NET:** Alcatel SA formed a partnership with Sun Microsystems Inc. for the development of hardware and software platforms for consumer Internet applications. No financial details were given.

Alcatel is already using Sun's Java software language for its Internet Seroop Phone, due to hit the market next year. The company said the combination of its expertise in voice and data communications, global system integration and network-based applications and Sun's software and technology would lead to a new breed of devices enabling consumers to use the Internet without a personal computer. (Reuters)

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## Business Climate Dims in Germany and France *Preussag Sees*

R	1,280	1,265	1,318	1,276
Medic R	841	825	835	837
Group B	244	260	261	262
Group R	827	805	821	808
Life B	200.75	197.50	200.75	201
Life R	1028	995	1028	968
Reins R	3532	3479	3582	3484
	430.50	420	427	428
AMA	278	276	278	278
Assur R	1015	1000	1005	989

Swedish Group R	200.75	197.50	200.75	201
Swiss Life B	1028	995	1028	986
Swiss Reins R	3532	3479	3582	3484
UBS R	430.50	420	427	426
UBS SAMA	278	276	278	278
Zurich Assur R	1015	1000	1005	989



## INTERNATIONAL INVESTING

## Triumph of the Monster-Caps in 1998: Bigger Meant Better

WASHINGTON — While Internet daddies such as Amazon.com Inc. and eBay Inc. have been getting most of the attention this year, the real stars of the market have been the biggest stocks. Nothing subtle, just big.

Across the board, the so-called monster-caps have triumphed. The 10 biggest stocks at the beginning of 1997 have returned 53 percent this year. Meanwhile, the Dow Jones industrial average, which once represented the biggest U.S. firms but now has embarrassing omissions, has returned just 14 percent.

Big used to be dumb and muscle-bound. Now big can be smart and beautiful. In fact, if large companies aren't humble, they fall from grace very swiftly in today's viciously competitive environment.

As a result, the largest stocks today —

as measured by market capitalization (or the total value investors place on their shares) — do not include behemoths of the past such as General Motors Corp. or AT&T Corp. They do not include huge manufacturers such as Boeing Co. or even consumer-products giants such as Procter & Gamble Co.

Instead, the list stresses innovation, brain power and marketing savvy — and, as always, great brand names.

The leader is Microsoft Corp. (symbol: MSFT), the software giant, which earlier this year streaked past General Electric Co. (GE) to become the country's largest stock with a market cap of \$345 billion. Microsoft has more than doubled this year despite antitrust prosecution by the U.S. Justice Department.

Since few investors set out to buy the biggest stocks (it's too easy), you can't find mutual funds that concentrate on them. But here's the next best thing: the Douglas Theory, a simple system developed by Leslie Douglas, a partner in the venerable Washington investment firm Folger Nolan Fleming Douglas Inc.

The guts of the system is picking monster-caps on the Nasdaq Stock Market, which includes some of the country's largest and fastest-growing companies. The formula: Put equal amounts in the five most valuable (that is, largest-cap) stocks on the Nasdaq at the start of the year, hold for 12 months, repeat.

The system returned an annual average of 32 percent from 1991 to 1997,

beating the Dow, which returned just 17 percent. This year, the Douglas Theory has gone through the roof. The five stocks are up an incredible 122 percent. Microsoft, of course, leads the list, followed by Intel Corp. (INTC), the semiconductor maker; Cisco Systems Inc. (CSCO), which dominates the market for computer-networking products; MCI WorldCom Inc. (WCMI), the long-distance and Internet telecommunications firm; and Dell Computer Corp. (DELL), which focuses on direct-order PCs.

By the way, the Douglas Theory list remains the same for 1999, the first time since 1993 that there hasn't been a change.

Microsoft is the largest stock on U.S. exchanges. Second-place GE, traded on the New York Stock Exchange, is a brilliantly managed conglomerate with

interests that include jet engines, light bulbs, broadcasting and finance. GE has had a decent year as well, returning 36 percent and boosting its market cap to \$323 billion. While Microsoft does not pay a dividend, GE just increased its payout by 17 percent, to \$1.40 a year.

Next in the current top 10 is Intel, which languished during the first half of the year and, since then, has nearly doubled despite the recession in Asia. Its market cap is \$199 billion.

As of Tuesday, the next seven stocks were Exxon Corp. (XON), at a market cap of \$182 billion (the merger with Mobil Corp. will move the company into third place), the only commodity business on the list; Merck & Co. (MRK), the pharmaceutical house, which has surged 42 percent this year; at \$176 billion; Wal-Mart Stores Inc. (WMT), which has doubled in 1998; Coca-Cola Co. (KO), flat this year after firing up 162 percent in the previous three years; International Business Machines Corp. (IBM), up 72 percent in 1998; Pfizer Inc. (PFE), up more than 50 percent on sales of Viagra, and Cisco.

What is remarkable about these monster-caps is that two of the top three and five of the top 10 aren't even included in the 30 stocks of the Dow, which is beginning to creak with age.

Another way to buy large-caps is through the Maryland-based Rydex OTC Fund (1-800-820-0888 within the United States), whose portfolio is constructed to mimic the Nasdaq 100, an index that is heavily weighted toward the five stocks of the Douglas Theory. In fact, Microsoft, Intel, Cisco, MCI WorldCom and Dell make up 62 percent of the value of the fund, which has returned 83 percent this year.

Another large-cap winner, Janus Twenty (1-800-325-3713), has four of the 10 monster-caps in its own top 10. The four represented 24 percent of the fund's holdings at last report. Janus Twenty, a low-expense, no-load fund, has returned 66 percent this year.

Why have the monster-caps done so well? First, money managers have lately been favoring liquidity — that is, stocks with lots of valuable shares outstanding — so that they can bail out from what they see as lofty heights without forcing down prices. In addition, businesses with size have big benefits in global

## Give the Gift Of Dividends

WASHINGTON — Give the present that keeps on giving — stocks that pay dividends, especially ones that keep rising.

Take H.J. Heinz Co. (HNZ), the ketchup folks. It's hardly a go-go company, yet its annual payout has risen from 31 cents in 1988 to \$1.02 this year.

Value Line (1-800-833-0046 in the United States) recently listed 13 stocks including Heinz that yield at least 2.4 percent, are expected to raise their dividends by at least 5 percent annually over the next three to five years and have earned strong ratings from analysts for safety and timeliness.

The stocks that passed the screen are: American Water Works Co. (AWK); DQ Inc. (DQ); Federal Signal Corp. (FSS); First Union Corp. (FTU); JCB Financial Inc. (JCB); Marsh & McLennan Cos. (MMC); NIPSCO Industries Inc. (NIP); National City Corp. (NCC); Reuters Group PLC (RSTY); TECO Energy Inc. (TE); Unicom Inc. (UNIT) and Washington Federal Inc. (WFSI).

— James K. Glassman

markets — especially at a time when it is difficult to raise prices. Big, brassy brand names have more clout worldwide. Also, by definition, monster-caps are big because they're good at what they do. They attract the dollars of investors because they have been successful. And success, even in a hotly competitive world, tends to breed success.

But not, of course, forever. Two companies that were in the top 10 at the start of the year — Royal Dutch Petroleum Co. (RDL), which is based in the Netherlands but trades on the New York Stock Exchange, and Philip Morris Cos. (MO), once No. 3 — have dropped off.

And the cycle that has favored large-caps for the past four years may soon shift toward small- and mid-caps again. But even if it does, every portfolio should include a healthy dose of monster-caps for the long run.

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THE WORLD'S DAILY NEWSPAPER

## Very briefly:

• New York City will build a trading complex and office tower for the New York Stock Exchange near the city's historic home on Wall Street. The plan, which includes \$900 million in cash, tax breaks and other subsidies, would be the largest in city history to prevent a business from leaving town. It is expected to bring an end to threats by the stock exchange to move to Jersey City, New Jersey.

• The global market for customized derivative contracts has grown about 47 percent in three years, putting the credit risk to banks and other traders in these financial contracts at \$1.2 trillion, according to a report by the Bank for International Settlements.

• The United States posted a \$70 billion surplus in the 1998 fiscal year, which ended Sept. 30. But the supply of U.S. Treasury securities available to be bought and sold by the public fell by about \$144 billion, a significant decline that is rippling through the market. That decline is a precursor of things to come, analysts say. As the surpluses grow and accumulate, the supply of marketable Treasuries will shrink rapidly, likely reducing the interest rates the Treasury will have to pay to finance the remaining debt. Meanwhile, the decline in the amount of outstanding Treasuries has already forced the Federal Reserve to modify details of how it intervenes in financial markets to stabilize the economy. Last year, the portion of the national debt held by the public — other than that held by the Fed — declined to \$3,361 trillion, a drop of \$110 billion. It was first drop in 29 years.

• U.S. regional bank mergers are likely to intensify

in early 1999 as banks rush to conclude combinations so their computer systems can be connected before 2000, said John Ray, senior vice president at Legacy Securities Corp. in Atlanta. Among companies likely to be acquisition targets, he said, are AmSouth Bancorp. in Birmingham, Alabama; First Virginia Bank Inc. in Falls Church, Virginia; and Mercantile Bancorp. in St. Louis.

• Heilongjiang Beidahuang Agribusiness Group, a Chinese government-owned agricultural landlord, will sell shares worth about 2 billion Hong Kong dollars (\$258.3 million) through the Hong Kong Stock Exchange next year to reclaim land for farming and improve the output of its farms.

• Two of London's leading strategists scored unannouncedly accurate market predictions this year with highly public pronouncements on the direction of shares. BT Alex. Brown and Morgan Stanley Dean Witter predicted a market turnaround just ahead of two pivotal European stock market moves — on July 21 and Oct. 5 — while most analysts were expecting the opposite.

• Conning Corp., an asset management services company, said its president, Maurice Slayton, would retire in February 1999 and would be replaced by the company's chairman and chief executive officer, Leonard Rubenstein.

• Britain's Securities and Futures Authority reprimanded an investment management firm, Albert E. Sharp, and fined it £200,000 (\$335,600) for widespread failures of stock and dividend reconciliation.

NYT, WP, Bloomberg, Reuters

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ASIA/PACIFIC

# S&P Slashes Credit Ratings of 7 Japan Banks

**TOKYO** — Standard & Poor's Corp. said Wednesday that it had slashed its credit ratings of seven major banks in Japan, citing increasing credit costs and huge net losses expected in the second half.

Daiwa Bank Ltd., Sumitomo Bank Ltd., Dai-ichi Kangyo Bank Ltd., Sakura Bank Ltd., Sanwa Bank Ltd., Industrial Bank of Japan Ltd. and Tokai Bank Ltd. all had their ratings downgraded, the U.S. credit ratings agency said.

S&P affirmed its ratings of Fuji Bank Ltd. and Asahi Bank Ltd., which it had been considering downgrading.

The cuts are a sign that Japan's debt-ridden banks still have problems, despite the start of the world's biggest bank bailout and the promise of government money to bolster capital, analysts said.

"This downgrade means the ratings company doesn't appreciate the injections of public money banks have received to increase their capital," said Yoshihiko Kamata, an analyst at Nomura Securities Co.

Fifteen of Japan's top banks said they would put out their hands for 3.78 trillion yen (\$49.53 billion) in taxpayers' money, offered under new reforms to restructure banks.

But S&P said the capital would not immediately offset huge net losses.

S&P said the banks it downgraded would all be burdened by "substantial" write-offs of unrealized losses on their equity holdings expected in the second half of the financial year to March.

Credit costs also included loans to failed or risky borrowers and financial assistance to troubled affiliates, it said.

"Although these loan-loss provisions and write-offs are designed to finally clean up the banks' loan portfolios," the report said, "Standard & Poor's believes that this has not been fully accomplished."

"Particularly problematic are the large borrowers, including construction, real estate and nonbank companies among watch-list loans,

which still require minimal provisions," the agency said.

In the first half ending in September, most Japanese banks took a hefty loss on their holdings of marketable securities after Tokyo's Nikkei 225 index lost 18.9 percent during the six-month period.

"These actions will likely lead to substantial net losses at all of the banks except DKB," it said, adding that although Dai-ichi Kangyo is not projecting as large a loss as other banks, it would "ultimately need to take provisions at least similar to those now projected by the other banks."

All of these lenders have been downgraded at least once already this year by S&P or Moody's Investors Service Inc.

The cuts leave only one major bank — Bank of Tokyo-Mitsubishi Ltd. — rated at A level by S&P.

Daiwa had its long-term senior debt and counterparty ratings lowered to BB-plus from BBB-minus.

"S&P did not appreciate all our efforts such as complete bad loan write-offs in March, a restructuring plan at home and abroad, a public injection of funds and increase of capital," said Yoshihiko Kamata, Daiwa Bank general manager. "Not all companies cut our rating."

Daiwa in October said it would cut employees' salaries by 10 percent and largely pull out of overseas businesses to focus on strengthening its operations in Osaka.

The closure of all Daiwa's overseas units, besides six representative offices and three subsidiaries, will boost core business profits by about 4 billion yen and free up 100 employees to work in other areas, the bank said.

Daiwa will continue to collect data for its custody and trust banking business from its overseas offices, the bank said in October.

The bank is also linking automatic teller machine services with fellow Osaka lender, Bank of Kinokuniya, to strengthen its position in that region.

# Korea Telecom Rises 15% in Trading Debut

**SEOUL** — Korea Telecom Corp. shares rose by their maximum allowable 15 percent limit Wednesday, their first trading day, and analysts say the stock could match that performance for days to come.

Shares in Korea's largest phone company jumped to 28,750 won (\$23.94) from 25,000 won when trading began. In over-the-counter trading during the past week, the stock rose 22 percent to 36,000 won.

Korea Telecom is likely to keep rising by its daily limit until they approach their over-the-counter price, analysts said. Just 1,960 shares changed hands Wednesday, leaving unsatisfied buyers for a further 19.4 million shares, most of them at the highest allowed price.

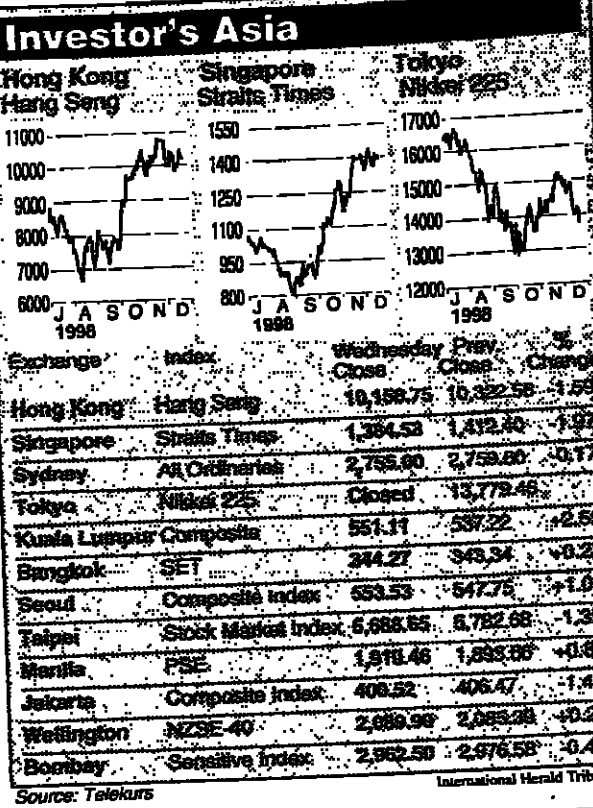
"It will go limit-up until it reaches 35,000 won without much trading," said Park Kyung Min, chief investment officer at Asset Korea Capital Management Co.

The listing Wednesday, which did not involve the sale of new shares, sets the stage for a \$2 billion overseas share sale, representing Korea's latest attempt to seek foreign investment to bolster an economy mired in recession.

The government plans to sell 13 percent of its equity to foreigners in the form of depositary receipts, while offering a 15 percent stake to a strategic partner among foreign telephone providers by next June.

Because foreigners can own a maximum of 33 percent of a Korean telecommunications service company, only 5 percent of Korea Telecom shares will be offered to foreign investors until the scheduled overseas sale. Foreigners can apply for the new shares beginning Thursday morning.

The state-owned Korea Telecom became the nation's third-largest listed company after Korea Electric Power Corp., the state utility monopoly that accounts for 16 percent of the benchmark Kospi index, and Samsung Electronics Co., the world's largest maker of memory chips used in computers.



# IMF Defense of China's GDP Figures Is Lacking

**HONG KONG** — The International Monetary Fund this week came up with a defense of China's much-criticized statistics on the growth of its gross domestic product. But it is a lukewarm effort that will do little to silence those economists who suggest that China's actual growth rate is 2 percent to 3 percent a year less than is being claimed.

The issue is not just one of academic interest. China's forecast growth rate is a significant component of the IMF's global, and particularly Asian, growth forecasts.

The IMF, relying on Chinese data that claimed a 12 percent jump in third-quarter industrial output and a 20 percent leap in public investment, on Monday raised its forecast for China's 1998 growth from the 5.5 percent given in October in its World Economic Outlook to 7.25 percent. This is close to the Chinese government's 8 percent forecast that has been widely criticized as a product more of Prime Minister Zhu Rongji's promises than of reality.

The IMF also predicts 6.6 percent growth in China for 1999, far ahead of the next highest growth economy in East Asia, Taiwan, at 3.9 percent.

Addressing the question, "Is China's Growth Overstated?" the Fund acknowledges the skepticism that has arisen because of the low growth of key expansion indicators, notably rail freight, traffic and electricity consumption. It also notes a World Bank study suggesting that China's growth was overstated by 1.25 percent a year between 1978 and 1995.

But the fund gives general endorsement to the current overall data. It attributes the poor showing of freight traffic — which actually fell this year — to the decline of the coal industry, which accounts for 40 percent of rail freight. The low growth of electricity consumption — only 3 percent this year and 5 percent in 1997 — it attributes to a combination of the declining importance of energy-intensive heavy industry and a relative increase in power prices.

But the Fund's comments do not seem to explain why growth in power consumption tracked GDP growth fairly closely until 1996 but fell to only half that rate in the past two years. Price may be a factor but, on the other side of the equation, power supply is no longer the restraint it used to be.

As for freight, if less coal is being shipped, then that reflects lower demand since coal output is in massive surplus.

The Fund does not address another important growth indicator — imports — which have been falling in dollar terms and are estimated to be static in volume terms. Weak import demand, in part, reflects weak exports. But many economists find it hard to believe that there is not some specific and direct connection between imports and domestic demand.

The Fund acknowledges the imperfections of Chinese data but suggests that, according to a study by the State Statistical Bureau, over-reporting of output is probably balanced by some under-reporting.

"Official statistics do not fully capture the development of the nonstate sector," it says.

## Very briefly:

- TRW Inc., an automotive supplier based in Cleveland, Ohio, has agreed to acquire the principal assets of Woo Jin Co., a South Korean supplier of automotive interior and exterior plastic products. Terms were not disclosed.
- Enron International, a subsidiary of Enron Corp., signed a pact with Shipping Corporation of India and Mitsui O.S.K. Lines Ltd. to set up a joint venture for transportation of liquefied natural gas from Oman and Abu Dhabi to Enron's Dabhol power project in the Indian state of Maharashtra.
- New Zealand emerged from recession in the third quarter, helped by a surge in export-related industries such as manufacturing, forestry, dairy and transport. The economy expanded 0.7 percent, Statistics New Zealand said.
- Sterlite Industries (India) Ltd. is to restart its copper smelter on Saturday after a court allowed it to resume operations. The smelter was closed Nov. 23 after protests claiming the unit's effluents were harming the environment.
- South Korea's unemployment rate rose to 7.3 percent last month from 7.1 percent in October, as students sought jobs ahead of the graduation season. More than 1.56 million of the country's 45 million population is out of work.
- Iridium LLC, the U.S.-based global satellite-phone company, has signed an agreement with Myanmar Post & Telecommunications to provide wireless communication services in Burma.

Reuters, Bloomberg

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NASDAQ

Wednesday's 4 P.M.  
The 1,000 most traded National Market securities  
in terms of dollar value, updated twice a year.  
The Associated Press.

Stock	Day	High	Low	Open	Close	Volume
IBM	12/24	125.00	124.00	124.50	124.00	1,200,000
Microsoft	12/24	55.00	54.00	54.50	54.00	1,100,000
Apple	12/24	45.00	44.00	44.50	44.00	1,000,000
Oracle	12/24	35.00	34.00	34.50	34.00	900,000
Sun	12/24	25.00	24.00	24.50	24.00	800,000
Amazon	12/24	15.00	14.00	14.50	14.00	700,000
Google	12/24	10.00	9.00	9.50	9.00	600,000
Yahoo	12/24	8.00	7.00	7.50	7.00	500,000
Alibaba	12/24	6.00	5.00	5.50	5.00	400,000
Facebook	12/24	4.00	3.00	3.50	3.00	300,000

Stock	Day	High	Low	Open	Close	Volume
Microsoft	12/23	54.00	53.00	53.50	53.00	1,000,000
IBM	12/23	124.00	123.00	123.50	123.00	1,100,000
Oracle	12/23	34.00	33.00	33.50	33.00	800,000
Sun	12/23	24.00	23.00	23.50	23.00	700,000
Amazon	12/23	14.00	13.00	13.50	13.00	600,000
Google	12/23	9.00	8.00	8.50	8.00	500,000
Yahoo	12/23	7.00	6.00	6.50	6.00	400,000
Alibaba	12/23	5.00	4.00	4.50	4.00	300,000
Facebook	12/23	3.00	2.00	2.50	2.00	200,000
Twitter	12/23	2.00	1.00	1.50	1.00	100,000

Stock	Day	High	Low	Open	Close	Volume
Microsoft	12/22	53.00	52.00	52.50	52.00	900,000
IBM	12/22	123.00	122.00	122.50	122.00	1,000,000
Oracle	12/22	33.00	32.00	32.50	32.00	700,000
Sun	12/22	23.00	22.00	22.50	22.00	600,000
Amazon	12/22	13.00	12.00	12.50	12.00	500,000
Google	12/22	8.00	7.00	7.50	7.00	400,000
Yahoo	12/22	6.00	5.00	5.50	5.00	300,000
Alibaba	12/22	4.00	3.00	3.50	3.00	200,000
Facebook	12/22	2.00	1.00	1.50	1.00	100,000
Twitter	12/22	1.00	0.50	0.75	0.50	50,000

Stock	Day	High	Low	Open	Close	Volume
Microsoft	12/21	52.00	51.00	51.50	51.00	800,000
IBM	12/21	122.00	121.00	121.50	121.00	900,000
Oracle	12/21	32.00	31.00	31.50	31.00	600,000
Sun	12/21	22.00	21.00	21.50	21.00	500,000
Amazon	12/21	12.00	11.00	11.50	11.00	400,000
Google	12/21	7.00	6.00	6.50	6.00	300,000
Yahoo	12/21	5.00	4.00	4.50	4.00	200,000
Alibaba	12/21	3.00	2.00	2.50	2.00	100,000
Facebook	12/21	1.00	0.50	0.75	0.50	50,000
Twitter	12/21	0.50	0.25	0.35	0.25	25,000

Stock	Day	High	Low	Open	Close	Volume
Microsoft	12/20	51.00	50.00	50.50	50.00	700,000
IBM	12/20	121.00	120.00	120.50	120.00	800,000
Oracle	12/20	31.00	30.00	30.50	30.00	500,000
Sun	12/20	21.00	20.00	20.50	20.00	400,000
Amazon	12/20	11.00	10.00	10.50	10.00	300,000
Google	12/20	6.00	5.00	5.50	5.00	200,000
Yahoo	12/20	4.00	3.00	3.50	3.00	100,000
Alibaba	12/20	2.00	1.00	1.50	1.00	50,000
Facebook	12/20	0.50	0.25	0.35	0.25	25,000
Twitter	12/20	0.25	0.10	0.15	0.10	10,000

Stock	Day	High	Low	Open	Close	Volume
Microsoft	12/19	50.00	49.00	49.50	49.00	600,000
IBM	12/19	120.00	119.00	119.50	119.00	700,000
Oracle	12/19	30.00	29.00	29.50	29.00	400,000
Sun	12/19	20.00	19.00	19.50	19.00	300,000
Amazon	12/19	10.00	9.00	9.50	9.00	200,000
Google	12/19	5.00	4.00	4.50	4.00	100,000
Yahoo	12/19	3.00	2.00	2.50	2.00	50,000
Alibaba	12/19	1.00	0.50	0.75	0.50	25,000
Facebook	12/19	0.25	0.10	0.15	0.10	10,000
Twitter	12/19	0.10	0.05	0.07	0.05	5,000

Stock	Day	High	Low	Open	Close	Volume
Microsoft	12/18	49.00	48.00	48.50	48.00	500,000
IBM	12/18	119.00	118.00	118.50	118.00	600,000
Oracle	12/18	29.00	28.00	28.50	28.00	300,000
Sun	12/18	19.00	18.00	18.50	18.00	200,000
Amazon	12/18	9.00	8.00	8.50	8.00	100,000
Google	12/18	4.00	3.00	3.50	3.00	50,000
Yahoo	12/18	2.00	1.00	1.50	1.00	25,000
Alibaba	12/18	0.50	0.25	0.35	0.25	10,000
Facebook	12/18	0.10	0.05	0.07	0.05	5,000
Twitter	12/18	0.05	0.02	0.03	0.02	2,000

NYSE

Wednesday's 4 P.M. Close  
(Continued)

Stock	Day	High	Low	Open	Close	Volume
IBM	12/24	125.00	124.00	124.50	124.00	1,200,000
Microsoft	12/24	55.00	54.00	54.50	54.00	1,100,000
Apple	12/24	45.00	44.00	44.50	44.00	1,000,000
Oracle	12/24	35.00	34.00	34.50	34.00	900,000
Sun	12/24	25.00	24.00	24.50	24.00	800,000
Amazon	12/24	15.00	14.00	14.50	14.00	700,000
Google	12/24	10.00	9.00	9.50	9.00	600,000
Yahoo	12/24	8.00	7.00	7.50	7.00	500,000
Alibaba	12/24	6.00	5.00	5.50	5.00	400,000
Facebook	12/24	4.00	3.00	3.50	3.00	300,000

Stock	Day	High	Low	Open	Close	Volume
Microsoft	12/23	54.00	53.00	53.50	53.00	1,000,000
IBM	12/23	124.00	123.00	123.50	123.00	1,100,000
Oracle	12/23	34.00	33.00	33.50	33.00	800,000
Sun	12/23	24.00	23.00	23.50	23.00	700,000
Amazon	12/23	14.00	13.00	13.50	13.00	600,000
Google	12/23	9.00	8.00	8.50	8.00	500,000
Yahoo	12/23	7.00	6.00	6.50	6.00	400,000
Alibaba	12/23	5.00	4.00	4.50	4.00	300,000
Facebook	12/23	3.00	2.00	2.50	2.00	200,000
Twitter	12/23	2.00	1.00	1.50	1.00	100,000

Stock	Day	High	Low	Open	Close	Volume
Microsoft	12/22	53.00	52.00	52.50	52.00	900,000
IBM	12/22	123.00	122.00	122.50	122.00	1,000,000
Oracle	12/22	33.00	32.00	32.50	32.00	700,000
Sun	12/22	23.00	22.00	22.50	22.00	600,000
Amazon	12/22	13.00	12.00	12.50	12.00	500,000
Google	12/22	8.00	7.00	7.50	7.00	400,000
Yahoo	12/22	6.00	5.00	5.50	5.00	300,000
Alibaba	12/22	4.00	3.00	3.50	3.00	200,000
Facebook	12/22	2.00	1.00	1.50	1.00	100,000
Twitter	12/22	1.00	0.50	0.75	0.50	50,000

Stock	Day	High	Low	Open	Close	Volume
Microsoft	12/21	52.00	51.00	51.50	51.00	800,000
IBM	12/21	122.00	121.00	121.50	121.00	900,000
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Google	12/21	7.00	6.00	6.50	6.00	300,000
Yahoo	12/21	5.00	4.00	4.50	4.00	200,000
Alibaba	12/21	3.00	2.00	2.50	2.00	100,000
Facebook	12/21	1.00	0.50	0.75	0.50	50,000
Twitter	12/21	0.50	0.25	0.35	0.25	25,000

Stock	Day	High	Low	Open	Close	Volume
Microsoft	12/20	51.00	50.00	50.50	50.00	700,000
IBM	12/20	121.00	120.00	120.50	120.00	800,000
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Sun	12/20	21.00	20.00	20.50	20.00	400,000
Amazon	12/20	11.00	10.00	10.50	10.00	300,000
Google	12/20	6.00	5.00	5.50	5.00	200,000
Yahoo	12/20	4.00	3.00	3.50	3.00	100,000
Alibaba	12/20	2.00	1.00	1.50	1.00	50,000
Facebook	12/20	0.50	0.25	0.35	0.25	25,000
Twitter	12/20	0.25	0.10	0.15	0.10	10,000

Stock	Day	High	Low	Open	Close	Volume
Microsoft	12/19	50.00	49.00	49.50	49.00	600,000
IBM	12/19	120.00	119.00	119.50	119.00	700,000
Oracle	12/19	30.00	29.00	29.50	29.00	400,000
Sun	12/19	20.00	19.00	19.50	19.00	300,000
Amazon	12/19	10.00	9.00	9.50	9.00	200,000
Google	12/19	5.00	4.00	4.50	4.00	100,000
Yahoo	12/19	3.00	2.00	2.50	2.00	50,000
Alibaba	12/19	1.00	0.50	0.75	0.50	25,000
Facebook	12/19	0.25	0.10	0.15	0.10	10,000
Twitter	12/19	0.10	0.05	0.07	0.05	5,000

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IBM	12/18	119.00	118.00	118.50	118.00	600,000
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Amazon	12/18	9.00	8.00	8.50	8.00	100,000
Google	12/18	4.00	3.00	3.50	3.00	50,000
Yahoo	12/18	2.00	1.00	1.50	1.00	25,000
Alibaba	12/18	0.50	0.25	0.35	0.25	10,000
Facebook	12/18	0.10	0.05	0.07	0.05	5,000
Twitter	12/18	0.05	0.02	0.03	0.02	2,000



## WORLD ROUNDUP

### An Official Inquiry

**OLYMPICS** The U.S. Justice Department opened an investigation on Wednesday into allegations of bribery in the awarding of the 2002 Winter Olympics to Salt Lake City.

A Justice Department prosecutor met in Salt Lake City with FBI and other law enforcement officials looking at accusations that members of the Utah bid committee used scholarships and other gifts and favors to buy the votes of International Olympic Committee members. The IOC selects the Olympic host cities.

"We've opened an investigation into allegations of improprieties in connection with the Salt Lake City Olympics bid," a department spokesman said in Washington.

Until now, the department had said only that it was conducting a preliminary review. But law enforcement officials have now decided they have enough information to broaden the inquiry. (AP)

### Crickets Investigation Set

**CRICKET** The Pakistani investigation into match-fixing in cricket will sit in Australia in January to take evidence from Shane Warne and Mark Waugh. Both the Australian and Pakistani cricket boards announced Wednesday that the two Australian test players, as well as a former Australian Cricket Board chairman, Alan Crompton, would go before the inquiry on Jan. 8.

### New Year's Eve Honor

**GYMNASTICS** Sang Lan, the 17-year-old Chinese gymnast paralyzed in a fall during the Goodwill Games, will share the honor of lowering the ball in Times Square on New Year's Eve with Mayor Rudolph Giuliani of New York.

This is a special honor, not only to me but also the Chinese people. Sang said at a news conference, trying out her newly learned English. "I'm very happy. I love New York. I love you all."

The lighted ball, perched atop a pole at One Times Square, descends for a minute, signifying the stroke of midnight when it hits bottom. Sang was chosen for the ceremony for her courage in dealing with the injury sustained during a practice vault on July 21. She has stayed in New York undergoing rehabilitation. (AP)



Sang Lan demonstrating the progress of her rehabilitation.

## Korda Dodges a Bullet

### Tennis Star Won't Be Banned for Drug Test

**LONDON**—The International Tennis Federation chose not to suspend Petr Korda for failing a drug test at Wimbledon last summer because the ruling body believed he was unaware he took the substance, officials said Wednesday.

Korda, the 1998 Australian Open champion, tested positive for nandrolone, an anabolic steroid that is banned by tennis.

While critics said the ITF's decision not to suspend Korda raised doubts about the federation's commitment to a unified program to combat drugs in sports, a federation spokesman, Alan James, said Wednesday that his group was not taking a soft stance on drugs and that it intended to participate in the International Olympic Committee's drug summit in February.

James said the ITF had pursued Korda's case and followed procedure by allowing its independent appeals committee to make the ruling on his punishment.

However, the 30-year-old Czech lost 199 points in the rankings and forfeited \$94,529 in prize money he earned at Wimbledon.

Korda tested positive after the Wimbledon quarterfinals and later appealed, claiming he didn't know how the drug got into his system.

"I wish to state categorically that I am not a drugs cheat and would never seek to obtain a competitive advantage over my fellow professionals by such means," Korda said Wednesday. "I am delighted that the committee has vindicated me."

Korda said he tried to find out how the steroid got in his body. But an Australian sports-medicine practitioner, Peter Larkins, said he found it hard to believe that Korda did not know. "How

often have we heard the story, 'I didn't know where it came from?'" Larkins said. "Elite athletes have a lot of people wanting to help them. Maybe he could have been that naive."

Korda won his first Grand Slam title in February, beating Marcelo Rios at the Australian Open. A spokesman at the Open said Wednesday that Korda had passed a drug test at the tournament and would defend his title at the next Australian Open, which starts in Melbourne on Jan. 18.

Korda was the second player to be given the benefit of the doubt by the ITF recently. The American teenager Samantha Reeves tested positive for nandrolone in an out-of-competition test last year. The ITF did not impose sanctions because of "exceptional circumstances." The ruling body said Reeves acted in "good faith" in taking a product she believed was for weight loss.

James said the ITF needed to evaluate its drug program in the wake of recent criticism and the rising sentiment in sports for harmonious programs for all federations.

He said his federation "approves of a unified drug program, but we believe there is a case for sports to have individual policies. We'll support a harmonious program" at the IOC summit, he added, "with certain provisions."

James said the ITF had not kept Korda's drug tests secret, adding that the organization was simply following proper guidelines.

"Unlike a lot of other sports, we don't make results of drugs tests public after A and B samples have been analyzed," he said. "We wait until the whole process is complete. Tennis is very keen on confidentiality, so the players remain innocent until proven guilty."



Petr Korda celebrating a match victory at Wimbledon last June.

Korda is the highest-profile tennis player to test positive for drugs since the former world No. 1 Mats Wilander and his doubles partner, Karel Novacek, returned positive tests for cocaine at the 1995 French Open.

An Australian Sports Drug Agency spokeswoman, Vicki Kapernick, said Wednesday that nandrolone was an artificial version of the hormone testosterone that could only be injected.

"It has a performance-enhancing effect and helps in muscle-building and recovery from injury while training," she said.

A Kuwaiti weightlifter tested positive for the steroid at the just-ended Asian Games in Bangkok.

The Sri Lankan star sprinter, Susantika Jayasinghe, is under investigation after testing positive for the drug earlier this year.

## Belgian Soccer Union Resolves Bosman Case

**BRUSSELS**—The Belgian soccer union said it had agreed to pay the former player Jean-Marc Bosman 16 million Belgian francs to end the legal conflict that sparked the so-called Bosman case on free movement of players.

Bosman, 34, welcomed the out-of-court settlement with the Belgian union on Tuesday, which was worth the equivalent of \$467,000, and said he was now

hoping to find a job again after years in the doldrums. "We closed the book, we turned its last page and it ended well," he said.

The Belgian union secretary-general, Jan Peeters, said at the union's headquarters: "I believe that both Jean-Marc Bosman and the union were fed up with this case, we were tired. Now it's all over. We're satisfied."

Bosman was claiming damages before the appeals court in the southern Belgian city of Liege in the wake of the 1995 European Court of Justice's "Bosman" ruling ending soccer's transfer system and limits on foreign players.

Bosman's case started in 1990 when his club, FC Liege, blocked a transfer to France's Dunkirk and later suspended him. Bosman took Liege, the Belgian soccer union and UEFA to court. The Liege appeals court then sought the Court of Justice's advice and still had to rule on the amount of damages.

Peeters said Bosman's claims totaled 72 million Belgian francs (\$2.1 million) in damages from UEFA and the Belgian union, but Bosman had already urged the union to settle out of court.

Bosman said he was satisfied with the amount even though it was not "extremely high" and he still had to pay

some lawyers' fees. "But the appeals court could also have awarded me a lot less," he said.

Peeters denied that the soccer union was taking advantage of Bosman's financial problems to settle the case.

The Bosman case quickly inflated salaries of players and made the stars even richer as it allowed them to move freely to the highest bidding club once their contract expired.

By contrast, the nine-year legal battle has ruined Bosman, forced him to live in his parent's garage for nearly two years, and wrecked his marriage.

Asked whether it had been worth it, he said: "I believe so, everything ended very well. It was worth it because players clearly benefited from it all."

### Brazil Tops FIFA Rankings

Brazil ended the year atop FIFA's world rankings with their World Cup conqueror, France, in second place. Reuters reported Wednesday from Zurich, Croatia, third-place finishers at France '98, jumped up 15 places from their year-end ranking in 1997 to No. 4, behind Germany.

### Elton John Attacks Top Players

The rock star Elton John, who is chairman of the British division one team Watford, has stung Britain's soccer establishment by describing Premier League players as lazy and overpaid. The Associated Press reported.

At a press conference with Watford's manager, Graham Taylor, John said: "The cost of players is spiraling out of control. People say the Premiership is the finest league in the world, but I can't say that from results in Europe. Then you see the players' attitudes—they are paid so much money and they are just strolling around the pitch."

## Making a List, Checking It Twice

**WASHINGTON**—It's Christmas, so why not spread a little joy, and a few lumps of coal, around the National Football League as the last weekend of the regular season approaches.

**Offensive Most Valuable Player.** National Football Conference: Randall Cunningham, the Minnesota Vikings' quarterback, who has already thrown a career-high 32 touchdown passes for the Vikings (14-1), who need only 12 points against Tennessee on Saturday to break the league scoring record held by the 1983 Washington Redskins.

**Offensive MVP.** American Football Conference: Terrell Davis, the Denver Broncos' running back, who needs 170 yards this week against Seattle to become only the fourth man to gain more than 2,000 yards rushing in a single season. Close second is Vinny Testaverde, the New York Jets' quarterback.

**Defensive MVP.** NFC: John Randle, the Viking defensive tackle, who lines up all over the field and wreaks havoc wherever he wanders. Deion Sanders was the early choice, but he has missed too much time to qualify.

**Defensive MVP.** AFC: Junior Seau, the San Diego Charger line-

**Vantage Point/LEONARD SHAPIRO**

backer, a tackling terror and inspirational leader on a defense that ranked among the league's best despite the offensive nightmare that was the rookie quarterback, Ryan Leaf.

**Rookie of the Year.** offense: Randy Moss, the Vikings' receiver. Never mind all the spectacular catches, he has also made a major block blocking downfield. Peyton Manning, who shattered many league rookie quarterback records in a close second and a future MVP when the Indianapolis Colts surround him with better players.

**Rookie of the Year.** defense: Charles Woodson, the Oakland Raider cornerback, who, though his team slumped badly during the second half of the season, demonstrated there is a life in the NFL after winning the Heisman Trophy. He also has Deion-like talent, and may eventually see more action on offense.

**Coach of the Year.** AFC: Bill Parcells of the Jets. Two years after the 1-15 debacle under Rich Kotite, the Jets won their first division title in 29 years.

**Coach of the Year.** NFC: Dennis Green of the Vikings. He salvaged Cunningham's career. He took a major gamble on Moss. His

offense is virtually unstoppable and he even had the discipline to drop 60 pounds.

**Play of the Year.** Amani Toomer's touchdown catch for the New York Giants to end the Broncos' hopes for an unbeaten season.

**Comeback of the Year.** Reggie White of the Green Bay Packers, who, after a back injury plagued him in 1997, has a chance to lead the NFL in sacks in what he says is his final season.

**Comeback of the Year.** team: The Buffalo Bills made the playoffs after a 0-3 start, thanks mostly to Doug Flutie. Honorable mentions go to the Redskins, 6-2 after 0-7, and the Giants, 4-7 early and still alive for the playoffs going into the final week.

**Number of the Year.** \$530 million, the price Al Lerner paid for an expansion Cleveland Browns franchise, soon to be topped by the mogul to be named later who buys the Redskins.

**Outrage of the Year.** Kevin Greene of the Carolina Panthers attacks his position coach and gets a one-game suspension. He is not Larell Sprewell by any stretch of the imagination, but the league should have come down harder after the Panthers' wrist slap.

## SCOREBOARD

### ICE HOCKEY

#### NHL Standings

##### EASTERN CONFERENCE

##### ATLANTIC DIVISION

W	L	T	Pts	GF	GA
New Jersey	18	8	4	90	76
Philadelphia	14	9	36	86	70
Pittsburgh	13	10	7	82	83
N.Y. Rangers	11	13	7	84	96
N.Y. Islanders	12	19	2	62	96

##### NORTHEAST DIVISION

W	L	T	Pts	GF	GA
Toronto	19	11	2	105	90
Buffalo	17	6	3	83	51
Boston	15	9	6	82	61
Ottawa	14	12	3	85	73
Montreal	8	22	3	70	92

##### SOUTHEAST DIVISION

W	L	T	Pts	GF	GA
Florida	15	13	5	85	78
Columbus	11	17	2	78	76
Washington	9	17	3	68	78
Tampa Bay	8	21	3	68	114

##### WESTERN CONFERENCE

##### CENTRAL DIVISION

W	L	T	Pts	GF	GA
Detroit	17	13	1	96	82
St. Louis	11	10	8	77	72
Nashville	11	16	3	70	93
Chicago	9	19	4	72	107

##### NORTHWEST DIVISION

W	L	T	Pts	GF	GA
Colorado	14	15	3	75	79
Edmonton	14	15	3	88	84
Vancouver	12	15	4	88	90
Calgary	12	17	2	70	89

##### PACIFIC DIVISION

W	L	T	Pts	GF	GA
Dallas	19	5	4	89	62
Phoenix	19	5	4	84	61
Anaheim	13	12	7	73	73
Los Angeles	10	20	2	73	91
San Jose	8	15	7	62	71

##### THURSDAY RESULTS

W	L	T	Pts	GF	GA
N.Y. Islanders	2	0	1	3	0
1st Period: New York 2, Carolina 0					
2nd Period: New York 1, Carolina 0					
3rd Period: New York 0, Carolina 0					
Final: New York 3, Carolina 0					

##### THURSDAY RESULTS

W	L	T	Pts	GF	GA
1st Period: New York 2, Carolina 0					
2nd Period: New York 1, Carolina 0					
3rd Period: New York 0, Carolina 0					
Final: New York 3, Carolina 0					

##### THURSDAY RESULTS

W	L	T	Pts	GF	GA
1st Period: New York 2, Carolina 0					
2nd Period: New York 1, Carolina 0					
3rd Period: New York 0, Carolina 0					
Final: New York 3, Carolina 0					

### WOMEN

#### WOMEN'S HOCKEY

##### INTERNATIONAL FRANCHISE

W	L	T	Pts	GF	GA
Brooklyn 72	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35

##### WOMEN'S HOCKEY

W	L	T	Pts	GF	GA
Brooklyn 72	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35

##### WOMEN'S HOCKEY

W	L	T	Pts	GF	GA
Brooklyn 72	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35

##### WOMEN'S HOCKEY

W	L	T	Pts	GF	GA
Brooklyn 72	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35

##### WOMEN'S HOCKEY

W	L	T	Pts	GF	GA
Brooklyn 72	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35

##### WOMEN'S HOCKEY

W	L	T	Pts	GF	GA
Brooklyn 72	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35

##### WOMEN'S HOCKEY

W	L	T	Pts	GF	GA
Brooklyn 72	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35

##### WOMEN'S HOCKEY

W	L	T	Pts	GF	GA
Brooklyn 72	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35

##### WOMEN'S HOCKEY

W	L	T	Pts	GF	GA
Brooklyn 72	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35
Orlando 76	1	0	2	55	35
Albany 67	1	0	2	55	35

##### WOMEN'S HOCKEY

7	LSU 74, Troy St. 56
on	Miami 80, Memphis 64
21	



SPORTS

# Red-Hot Effort Propels the Blue Devils

By Joe Drape  
New York Times Service

**EAST RUTHERFORD, New Jersey** — How this game was to be played was decided early, barely eight minutes after tip-off. The decision was dictated from the Duke sideline when Kentucky's Saul Smith, all 6 feet 2 inches (1.86 meters) of the coach's son, limped himself into the 6-8 Shane Barker to block what looked like a certain dunk. It was a foul — a hard foul.

On the sideline, the Blue Devils' coach, Mike Krzyzewski, vaulted from his seat and stalked down the hardwood right past the officials. He did not have a brief with them. "Don't let them do that to you, don't let them do that!" he said to Barker, Trajan Langdon and whatever other Blue Devil answered his glare.

From that moment, the No. 2-ranked Blue Devils turned bullies. They took what was a lackadaisical 4-point lead and banged it against their elbows for a 71-60 victory. It was a hard-nosed but not hard-hearted effort at the Jimmy V. Classic.

By kicking up dirt underneath what was often an aerial ballet, Duke (11-1) grounded the nation's No. 3 team in bruising, punishing fashion. The Blue Devils blocked eight shots. They outmuscled the Wildcats (10-2) on the backboard, squeezing 45 rebounds to Kentucky's 36. They committed 22 fouls, with their promising freshman, Corey Maggette, picking up his fifth and final demerit early in the second half.

Every time the No. 3 Wildcats threatened, Duke invited them back into the mad pit to scum some more.

In the first game of the doubleheader,

whose purpose was to raise money for cancer research in the name of Jimmy Valvano — the former Iona and North Carolina State coach who died in 1993 — Purdue hammered South Carolina, 80-64.

The Associated Press reported: Georgia Tech 66, No. 7 North Carolina 44. Georgia Tech, coming off a 41-point loss to Kentucky, rebounded with a stunning upset in Atlanta. The Yellow Jackets (8-2, 1-0 Atlantic Coast Conference) won even though they failed to make a field goal in the final eight minutes. Georgia Tech led, 62-50, after Alvin Jones hit a turnaround jumper, but managed only four free throws the rest of the way. North Carolina (12-2, 0-1) cut Tech's lead to 66-63 with 3:52 left on Max Owens's 3-point shot, but couldn't complete the comeback.



Kentucky's Heshimu Evans getting past Duke's William Avery.

# The Global Ambitions

## Adding Another Layer to the World Tour

The Associated Press

**ORLANDO, Florida** — Nick Price never paid attention to the Ryder Cup, and not just because the only golf he could watch as a teenager was grainy film that was shipped to Rhodesia and shown at the club on Friday nights.

"It meant nothing to me," Price said. "I didn't grow up having a chance to play on the Ryder Cup team, so it was never a contest. I went fishing."

Chances are, Price will never play in a Ryder Cup. But 10 years or so down the road, it's not hard to picture Price as

next three years, it will get even bigger. Big enough even for the Ryder Cup — or the Presidents Cup — to make room for someone else.

One suggestion is to have the winner of the Presidents Cup play the winner of the Ryder Cup. Of course, the way the Americans have played lately, they could find themselves taking off every other year. And who's to say the International team won't find it difficult to get motivated for the matches year in and year out?

"The hard thing for the Americans is they really don't have a break," Australia's Craig Parry said. "We've got something to really go out and play for. The Presidents Cup means something to our team."

It also meant something to the Americans, although clearly not as much as the Ryder Cup. It is not as if they went down to Port Phillip Bay and cried, which is what Mark Calcavecchia did after blowing his singles match in the 1991 Ryder Cup at Kiawah Island.

"Heck, it's almost Christmas time," Calcavecchia said. "We'll get over it."

Any kind of merger would require the blessing of the PGA Tour commissioner, Tim Finchem, who created the Presidents Cup, and the PGA of America, which runs the Ryder Cup. For now, Finchem would like to see both events keep their own identity.

"I would never say never to anything, but I do think that kind of structure would be a little bit unwieldy and might take a while to accommodate," Finchem said. "But that's something we may start talking about in a few years. We'll see what happens."

# NBA Nears Abyss of Canceling the Season

By Mike Wise  
New York Times Service

**NEW YORK** — Fearing that it would hurt negotiations with the players union, Commissioner David Stern has steadfastly refused to issue a so-called drop-dead date that would signal the cancellation of the entire 1998-99 National Basketball Association season.

But as the league's contentious labor dispute motors toward its sixth month without resolution, it appears that such a date is within days of being announced.

League officials are considering a date for a special Board of Governors meeting to be convened the first week of

January in New York. The main item on the agenda: a vote of representatives from the 29 teams on whether to terminate what is left of the season.

"At some point, we'll have to have a board meeting to cancel the season," said Russ Granik, the league's deputy commissioner. "I don't know if you would call that a drop-dead date, but I guess some people will take it that way."

Granik refused to release the date of the meeting or say when the season would be canceled if the two sides failed to negotiate a new collective bargaining agreement. The final decision rests with Stern, who is vacationing in Aspen, Colorado, and is not planning to return until next week.

No new talks have been scheduled, although Billy Hunter, the union's executive director, was planning to speak to Stern over the next couple of days, a union official said.

The owners and players are battling over how to share \$2 billion in revenue.

Meanwhile, Kevin Willis of the Toronto Raptors became the second player to publicly support an owners' proposal forwarded to the players last week by Stern. In an interview with The Associated Press, Willis called for players to vote on the proposal by secret ballot. "The majority would vote for the owners' latest proposal, just to start playing ball again," Willis said.

# Bankruptcy Rocks Women's Basketball

Washington Post Service

**WASHINGTON** — The American Basketball League, the third-year women's pro league that offered a rival to the Women's National Basketball Association, has announced that it is bankrupt and has suspended operations.

The news left 90 players and dozens of coaches, general managers and staff members from its nine teams unemployed, and it left the WNBA, whose season takes place in the summer, the only remaining women's pro basketball league in the United States.



Canucks' Mark Messier sustaining a possible concussion after scoring.

# Coyotes Clip the Slumping Red Wings With a 6-2 Victory

The Associated Press

Like the Dallas Stars, the Phoenix Coyotes have the attention of the Detroit Red Wings. Phoenix is another Western Conference team giving the Red Wings a tough time these days.

The Coyotes made their presence felt Tuesday night in Detroit with a 6-2 victory over the two-time defending

Of more immediate concern to the Red Wings is their three-game losing streak and 4-10 mark against teams with 500 or better records.

"Everything's going wrong right now, and it's getting beyond the point where you can say it's early," said Detroit's captain, Steve Yzerman. "We have to start playing a lot more competitively against the better teams."

Dallas Drake, Keith Tkachuk and Roenick each had a goal and an assist as the Coyotes won their second straight after their first two-game losing streak of the season.

## NHL ROUNDUP

Stanley Cup champions. "I think we've raised their eyebrows a little bit," the Coyotes' Jeremy Roenick said. "I hope we have."

It was the second victory for Phoenix in two meetings with Detroit this season. The Stars, who also figure to challenge the Red Wings for supremacy in the West this season, have won the first three games against them.

scored one goal and set up another in 27 seconds as Los Angeles beat Pittsburgh and handed Larry Robinson his 100th victory in four years as the Kings' coach. The shutout was the second of the season for Storr and third of his career. He made his toughest save six minutes into the second period when he kicked out his right pad to stop Jaromir Jagr.

Islanders 3, Blues 3. Todd Gill spoiled Zigmund Palffy's return to the New York Islanders with his first goal of the season with six minutes left, giving St. Louis a tie at Nassau Coliseum. Palffy, laying his first game since ending a long holdout, assisted on two goals. Palffy, the Islanders' top goal scorer this last three seasons, signed a five-year deal for \$25 million to end a sometimes acrimonious contract battle with the team. Scott Pellerin and Marty Reasoner also scored for the Blues.

Mighty Ducks 1, Avalanche 0. Dominic Rousset stopped 45 shots for his first victory in more than two years, and Jeff Nielsen scored his first goal of the season as Anaheim won at Colorado. Rousset, who last won on March 22, 1996, outdund Colorado's goalie, Patrick Roy, who made 20 saves, but had a hand in Nielsen's goal. Roy sent a blind cross-ice clearing pass right onto Nielsen's stick, and he sent a wrist shot into the net at 5:10 of the second period.

Canucks 5, Flames 3. At Calgary, Harry York's goal and two assists led Vancouver over the Flames in a game marred by a head injury to the Canucks' captain, Mark Messier. Messier was injured on his second shift when he crashed into the Flames' net after scoring a goal at 3:36 of the first period. He was helped off the ice after about two minutes. It was the 11th goal of the season for Messier.

## DENNIS THE MENACE



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## ART BUCHWALD

## Sharing the Pain

NEW YORK — Dear Miss Know-It-All: My mother says I have to thank people who send me Christmas cards. I think she has been eating too much fruitcake. Please advise that she is wrong. — Buffie Carstairs.

Dear Buffie: Unfortunately, your mother is right.

You have to thank someone who sends you a card. The Christmas card is a sacred document, and good manners dictate it has to be acknowledged as part of our holiday festivities. Here is a sample thank-you letter:

"Dear Mr. and Mrs. Minderman: Thank you for your wonderful season's greeting with the picture of Santa Claus and his reindeer. I can't tell you what it meant to open the envelope and discover that your family wished my family not only a wonderful Yuletide, but also a Happy New Year. Once again, it shows how generous the Mindermans are. I will treat-

ure your card forever, along with the others I have saved for years. You certainly know how to touch another person's heart. Etc., etc."

You don't have to reply to Christmas cards until the holidays — but don't put it off for too long or the sender will start believing you are an ungrateful wretch.

Dear Miss Know-It-All: I work in the same office with a girl named Alice. Our boss gave me a plastic wallet and Alice a trip to Bermuda. Is there something wrong with this? — Sally Chaffe.

Dear Sally: I'm sure your boss knows what he's doing. If you would send me a photo of yourself and one of Alice I might be able to get to the bottom of the puzzle. Besides, Bermuda is rather cold this time of year.

Dear Miss Know-It-All: All my friends say there is no Santa Claus. What gives? — Virginia Thor.

Dear Virginia: If their parents worked for Boeing, Citicorp, Mobil-Exxon or any of the other companies that recently merged, your friends are right.



Buchwald

## Kurosawa's Last Script to Be Filmed

New York Times Service

TOKYO — Akira Kurosawa's final script will come to the screen next year, according to plans announced here by his children and staff.

They said that "Ame Agaru" (Rain Stops), to be made with French financial assistance, would begin filming in April and that they hoped it would be ready for a premiere at the Venice Film Festival in September, one year after the acclaimed director's death of a stroke at 88.

Based on a novel by Shogoro Yamanoto and bearing parallels to Japan's current economic problems, the film is a love story about a penniless samurai and his wife in the 18th century, when Japan paid for the excesses of the period that preceded it.

The production is to be supervised by Takahashi Koizumi, who was an assistant to Kurosawa for nearly 30 years, and will draw on the talents of others long associated with the filmmaker.

## Geena Davis Finds Her Own Act Hard to Follow

By James Sterngold  
New York Times Service

LOS ANGELES — A lively debate over what might have seemed an innocuous line of dialogue broke out one day on the set of "Stuart Little," a movie based on E. B. White's classic 1945 children's book about a family whose new son turns out to be a mouse.

A throwback to this gentler era, the Little family is "from the polite planet," explained Hugh Laurie, the British actor who plays the man of the house. And so in one scene, as his devoted wife hovers over the washing machine, Little observes, "Dear, you look beautiful when you're doing the laundry."

That was when the trouble started.

Mrs. Little, as it turns out, is being portrayed by Geena Davis, an actress known less for her way with ring-around-the-collar than for man-stomping roles in films like "Thelma and Louise" and "The Long Kiss Goodnight."

Indeed, Davis has insisted throughout her career that her characters be strong, unconventional and independent — not the type, in other words, who do a lot of laundry and, if they do, sit still when told it makes them look attractive.

"The line will not be in the movie," Rob Minkoff, the film's director, said tersely of the outcome of the discussions.

Davis, the Academy Award-winning actress is back, or at least working at a comeback after a two-year hiatus and a divorce. And she has made it clear that she is willing to play just about anything — except a weakling. The scene in her new movie symbolizes the critical juncture where Davis, who is 41, stands.

This will not be an easy venture. For one, although she is tall and striking, her age precludes her from playing the sort of sexy roles reserved for younger women. Further, she is struggling to make herself into a star who can open a major picture, both in action roles



©Bobbie Lieberman

Davis, 41, is willing to play almost any role, except a weakling.

and as a comedic or dramatic actress.

"Big action movies are geared mostly to teenagers boys, and very few actresses in their late 30s or early 40s can turn on that audience," said Lynda Obst, a producer of films like "The Fisher King" and "Sleepless in Seattle." "I'm just hoping that the whole culture is turning French. Maybe the idea of a really sexy 41-year-old woman won't be so alien in the movies. There are a lot of really good actresses coming into that age, and I think this may be a transitional time. But they have to make smart choices."

Davis concedes that her own choices in the past few years have not worked out, and it has been an unusually long two years since Davis has even made a picture — a time she said she needed for reflection after a difficult divorce from the Finnish action-film director Renny Harlin, her third husband.

Davis had built her reputation on quick, comic parts like the love-struck dog trainer Muriel Pritchett in "The Accidental Tourist" (1988), for which she won her Oscar as best supporting actress. But after marrying Harlin in 1993, she veered in another direction and tried to carry several big-budget

action films that failed. Harlin directed her in "Cutthroat Island," and "The Long Kiss Goodnight."

Now she is single again, and she said that while she was willing to go back to comedy and quirkiness, she would not relinquish her hard-won strength. Davis reportedly took a big cut in her fee — to something in the neighborhood of \$1 million — to star as a mother committed to her darling son Stuart (the voice of Michael J. Fox), who happens to be smart, adventurous, debonair — and a rodent.

"It's not that I have to be a hero, but definitely interesting and determining my own fate," insisted Davis, who is both athletic and intelligent, pointing out that she's a member of Mensa, a society for those with high IQs.

It has been a decade since Davis went for loopy characters like the dizzy manicurist in "Earth Girls Are Easy" (1989). Increasingly, she had been trying to do movies that made a point, motivated by the unexpected success in 1991 of "Thelma and Louise," a Ridley Scott film with startling role reversals.

In that almost elegiac road movie, Davis and Susan Sarandon follow a path of violence and destruction that was once the exclusive domain of brash and reckless male characters. And the following year there was the success of "A League of Their Own," about a women's baseball team, in which Davis played Dottie Hinson, a "Gary Cooper type character," as she put it.

"Thelma and Louise" had a tremendous impact on me as a person," Davis said. "It was so different to have people come up to me and say, 'You changed my life.' I thought, 'This is really cool.' And to follow that up with 'League of Their Own,' that was like a double whammy. It definitely colored what followed after that."

"I wanted to be in movies where I do something cool, not where I'm super virtuous, but where I make my own decisions. After 'Thelma and Louise,' I took on more responsibility for what I was doing

and a desire to choose parts where women could feel free to identify with my character."

Davis went on to marry Harlin and consciously pursued parts that seemed, if not role models, then something. But things did not go planned.

The last time audiences saw her was in the 1996 film "The Long Kiss Goodnight," when she acted out a sort of feminist fantasy gone berserk. After recovering a lost memory, her character is transformed from Samantha Caine, a model mother with a busy baking schedule, into Charly Baltimore, a brutal assassin who throttles and shoots to death an assortment of antagonists — even a deer.

"I mean, who knows for sure why a film doesn't work?" said Joel Michaels, a producer of the disastrous "Cutthroat Island." "One can only conjecture, but I think the audience didn't want to see a woman in a role that has traditionally been held by a man. What woman in the annals of film has been a consistent action star?"

These days Davis looks a lot like Samantha Caine again. Not an Uzzi in sight, she is a perfect mother, deep in honeyed domesticity.

"Stuart Little," which will cost more than \$80 million because of the computerized animation that will be required to create the urbane Stuart, is expected to be a major Christmas release next year for Columbia Pictures.

On a recent day on the set here, Davis, was philosophical about where she had been, but unrelenting in her insistence that she would not play the sort of female roles that, as she frequently put it, were embarrassing to other women because they were so deferential.

"I don't go back and second-guess my choices," said Davis of her foray into action films. "It's all about making endless choices, large and small. You have to keep moving on. The only thing I had planned for my next parts was definitely not doing action."

## PEOPLE



Robin Williams at the ceremony at Mann's Chinese Theatre.

BRITISH Airways has announced that it is lifting a nine-year ban on the author Salman Rushdie from flying on its airplanes. BA refused to carry Rushdie on security grounds after Iran placed a death sentence on the author of the "The Satanic Verses," deemed blasphemous by Iran. BA said it would be happy to carry Rushdie after Jan. 1. In September, Iran said it would not carry out the death threat and disassociated itself from a bounty of \$2.5 million.

Robin Williams, whose movie "Patch Adams" is to open in the United States on Christmas, got his chance to immortalize his hands and feet in cement in the courtyard of Mann's Chinese Theatre. Hundreds of fans cheered as the comic actor put on the red nose he wears in the movie and placed his hands in the wet cement.

Charlton Heston has apologized to Mike Wallace for "unloading" on "60 Minutes." "It's an accurate segment, just

as you told me, although my 7-year-old grandson burst into tears at one point, exclaiming, 'Did Ba do something bad?' I'm afraid I did, Mike. I'm sorry," Heston wrote Wallace after seeing the television show's segment profiling the actor last Sunday. In a Guns & Ammo magazine essay, Heston accused the CBS news show of "SWAT-team journalism" and of joining the pattern of "character assassination" that he says he has faced since he became president of the National Rifle Association. At the time he wrote the essay, Wallace had not seen the show. The apology "was a classy thing to do," Wallace said.

John Fiore, 38, has been named chief conductor of the German cities of Düsseldorf and Duisburg, starting next season. In joining their Deutsche Oper am Rhein, he will replace Zoltan Pesko.

King Simeon II of Bulgaria arrived in Sofia with his Spanish wife, Margarita, and daughter Kalina, to spend

his first Christmas in his homeland since fleeing it as a child in 1946. Simeon, 61, lives in Madrid and works as a business consultant.

An Italian fashion designer was sen-

tenced to two years in prison for threatening and stalking his former girlfriend, Andrea Thompson, an actress on the television series "NYPD Blue." Gianluigi Assennato will be deported to Italy once he finishes his sentence, a California judge ruled.

## '3 Tenors' Organizer Sentenced to Prison

The Associated Press

MANHEIM, Germany — Matthias Hoffmann, an organizer of the popular "Three Tenors" concerts, has been sentenced to five years and eight months in prison for evading \$9 million in taxes.

Hoffmann had "grossly worked to his own advantage," in funneling money from concerts through paper companies set up outside Germany "to enrich himself," Chief Judge Michael Meyer said in handing down the sentence in a court in Mannheim.

The tenors — Luciano Pavarotti, Jose Carreras and Placido Domingo — were named last month as suspects in helping Hoffmann evade taxes, as was the soprano Montserrat Caballe. They are being investigated.

Hoffmann claimed during the trial that he was a victim of poor tax advisers, but Meyer rejected that defense, saying the advisers had repeatedly warned Hoffmann he was using illegal methods.

Hoffmann was released after posting a bond of about \$1 million. The defense lawyers said they would decide within a week whether to appeal.

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